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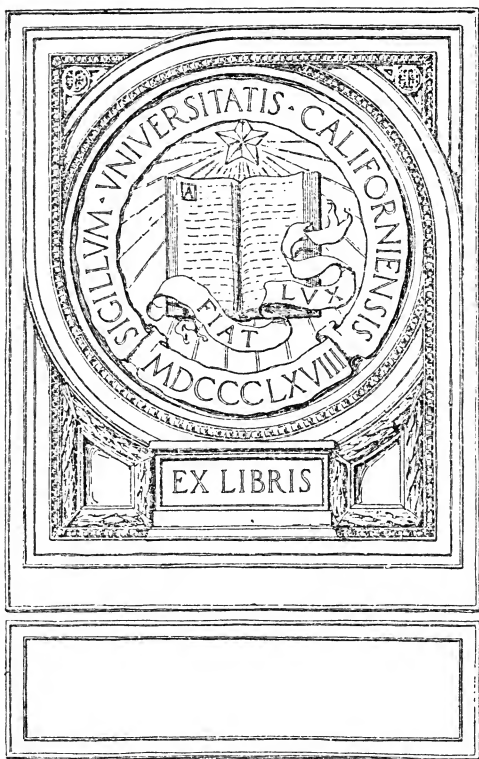
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# **Interstate Commerce Law Conventions**

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**Held at Chicago**  
**OCTOBER 26 and 27, 1905**

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COMPRISING THE SESSIONS OF  
**The Interstate Commerce Law  
Convention**

**AT STEINWAY HALL**

**AND**

**The Federal Rate Regulation  
Association**

**AT MUSIC HALL, FINE ARTS BUILDING**

TO THE  
ASSOCIATION

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## A WORD OF EXPLANATION




This is an advance printing of a verbatim report of the proceedings of the two Interstate Commerce Law Regulation Conventions held at Chicago October 26th and 27th, 1905, issued for press distribution. This will be followed by a permanent edition, giving full data concerning the representation at both conventions, and the business interests respectively comprised, together with a relation of the events which led up to the division into two conventions, and the subsequent formation of the Federal Rate Regulation Association.

N. W. McLEOD,  
Chairman.

St. Louis, Mo.

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 Please send copy of your paper containing any reference to this pamphlet and its contents to

Federal Rate Regulation Association,  
St. Louis, Mo.



# THE BACON CALL

## EXECUTIVE COMMITTEE OF THE INTERSTATE COMMERCE LAW CONVENTION

Held at St. Louis, Mo, October 28-29, 1904

REPRESENTING FIVE  
HUNDRED COM-  
MERCIAL AND IN-  
DUSTRIAL ORGAN-  
IZATIONS,  
NATIONAL, STATE  
AND LOCAL;  
IN FORTY-FIVE  
STATES AND  
TERRITORIES.

FRANK BARRY,  
Secretary,  
Milwaukee, Wis.

### EXECUTIVE COMMITTEE.

E. P. BACON, Chairman...Milwaukee, Wis.  
C. H. SEYBT, Vice-Chairman...St. Louis, Mo.  
R. S. LYON, Treasurer.....Chicago, Ill.  
S. H. COWAN.....Ft. Worth, Texas  
J. E. HOWARD.....Wichita, Kansas  
WM. LARRABEE.....Clermont, Ia.  
R. W. HIGBIE.....New York City  
MURDO MACKENZIE.....Trinidad, Colo.  
GEO S. GARDINER.....Laurel, Miss.

dustrial and producing interests of the country is hereby called, by the executive committee named in the heading of this sheet, to be held at the Auditorium hotel, at Chicago, Ill., to meet at ten o'clock a. m. on the 26th of October next, the sessions to continue probably into the following day. The basis of representation will be one delegate for every organization, composed of persons engaged in the pursuits above mentioned, of one hundred members or less, and an additional delegate for each additional two hundred members or major part in excess thereof.

The object of the convention is to impress upon Congress the extent and persistence of the demand of the people of all parts of the country for legislation outlined in the President's last annual message to Congress in the following language:

Milwaukee, Sept. 18, 1905.

A convention of delegates representing the various trade, in-

"The Interstate Commerce Commission should be vested with the power, where a given rate has been challenged after full hearing found to be unreasonable, to decide, subject to judicial review, what shall be a reasonable rate to take its place; the ruling of the Commission to take effect immediately and to obtain unless and until it is reversed by the court of review."

In his address at Chautauqua, N. Y., on the 11th of August last, the President declared his belief in the immediate necessity for legislation "conferring upon some branch of the executive government the power of effective action to remedy the abuses in connection with railway transportation."

The result of the effort to secure legislation of this character, continued during the past five years, seems likely to reach a determination at the coming session of Congress. The importance of such a demonstration of the public interest in the legislation at this time as will be effective in its influence upon Congress cannot be over-estimated, and it is hoped that the opportunity presented by the convention for this purpose will be utilized by the sending of delegates thereto by every organization desirous of the enactment of such legislation.

The railway interest is unitedly opposed to any legislation restricting its absolute control of railway rates, and the representatives of that interest throughout the country are not only exerting their utmost influence with Congress to prevent legislation in this direction, but are making strenuous efforts to suppress expression of sentiment in its favor on the part of commercial organizations, and also, by perverting the intent and purpose of the legislation, to incite opposition thereto on the part of such organizations. Hence, it is necessary for the friends of the legislation to avail themselves of every means of making their influence felt where it will have effect in bringing about its enactment.

The names and addresses of delegates appointed to the convention should be forwarded promptly to the undersigned at Milwaukee, Wis.

Truly yours,

E. P. BACON,  
Chairman.

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# THE SUPPLEMENTAL CALL

## To the Trade, Industrial and Producing Organizations of the Country:

Mr. E. P. Bacon, Chairman of the Executive Committee of the Interstate Commerce Law Association, under date of September, 18, 1905, issued a call for a convention, the purpose of which was stated as follows:

"Milwaukee, September 18, 1905.

"A convention of delegates representing the various trade, industrial and producing interests of the country is hereby called, by the Executive committee named in the heading of this sheet, to be held at the Auditorium hotel at Chicago, Ill., to meet at ten o'clock a. m., on the 26th day of October next, the sessions to continue probably into the following day. The basis of representation will be one delegate for every organization, composed of persons engaged in the pursuits above mentioned, of one hundred members or less, and an additional delegate for each additional two hundred members or major part in excess thereof.

"The object of the convention is to impress upon Congress the extent and persistence of the demand of the people of all parts of the country for legislation outlined in the President's last annual message to Congress in the following language:

"The Interstate Commerce Commission should be vested with the power where a given rate has been challenged and after full hearing found to be unreasonable, to decide, subject to judicial review, what shall be a reasonable rate to take its place; the ruling of the commission to take effect immediately and to obtain unless and until it is reversed by the court of review."

It has been assumed, as the call for delegates to the convention was for the purpose, as expressed, of determining the extent and persistence of the demand for specified legislation, that the convention was to be open to properly accredited delegates to express the views of the organizations which they, as delegates, represented, in order that the extent of the demand for legislation might be definitely ascertained.

The following telegram was sent to Mr. Bacon on October 12th, by the president of a national commercial organization, which organization has been claimed for two years by Mr. Bacon as supporting his movement:

"Received appointment to-day as delegate from President Long of Southern Association. In view of yours of October 10th to Smith, doubt my eligibility. Does eligibility as a delegate depend on commitment of specific endorsement of extract from call to which you refer? Answer."

To this Mr. Bacon replied by wire as follows, under the same date:

"Purpose stated in call precludes entertaining any propositions to modify scope of legislation outlined from extract of President's message quoted therein. Doubt eligibility of delegate not in sympathy with purpose stated."

It being manifest from the above ruling by Mr. Bacon that an attempt will be made to prevent free speech or any discussion or action in the convention that does not reflect Mr. Bacon's personal views, regardless of the will of the delegates to the convention, we, the undersigned, officers of national business and shipping organizations, believing that the importance of the questions under consideration demands that an absolutely free expression of all interested be permitted and that gag rule should not obtain in a deliberative body of American citizens, and in view of the fact that action on this subject may be taken at the next session of Congress, consider it to be desirable that our law makers have the benefit of a full and unbiased expression of the great industrial business and shipping interests of the country.

We hold it to be of vital importance that the bona fide shipping interests of the country be represented at this convention, and that these interests should strongly deny the right of politicians to make the issue of this convention and the subject to be discussed therein a

weapon for political purposes, which result will unquestionably follow should the shipping interests of the country be denied a right of hearing.

To this end you are urgently requested to appoint the number of delegates to which your organization is entitled under the call quoted above, regardless of what the views of your organization on the subject may be, and have your delegation in Chicago on the morning of October 26th.

If we are refused free speech and if Mr. Bacon sees fit to shut off any portion of the business interests of the country from an expression of opinion on this vital question, steps will be immediately taken so that the delegates may have an opportunity elsewhere to give a full and free expression of their views.

This statement is sent to you to urge you to be present at the Interstate Commerce Law convention and to seek to secure at that meeting, in an orderly and proper manner, the right to be heard in your own behalf.

(Signed)

NELSON W. McLEOD, President, National Lumber Manufacturers' Association (Chairman).

W. C. PERRY, President, Southwestern Coal Operators' Association.

R. A. LONG, President, Southern Lumber Manufacturers' Association.

DAVID M. PARRY, President, National Association of Manufacturers.

ALBERT L. CARPENTER, President, Mississippi Valley Lumbermen's Association.

J. C. BIRGE, President, National Hardware and Manufacturers' Association.

C. C. YAWKEY, President, Wisconsin Valley Lumber Association.

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...STENOGRAPHIC REPORT OF...

## Federal Rate Regulation Association

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Meeting held in Music Hall, Fine Arts Building,  
Chicago, Ill., October 26th and 27th, 1905.

The "Free Speech Meeting" was called to order in Music Hall, in Studebaker Building, at 10:30 o'clock by Mr. N. W. McLeod, who said:

"Gentlemen, we will come to order. As Chairman of the Conference Committee, I beg to announce the suggestion of that committee in the selection of Mr. F. J. Bradley, of Haverhill, Mass., as your temporary Chairman. What is your pleasure?"

The nomination of Mr. Bradley was seconded, and upon motion duly carried. Mr. Bradley advanced to the platform, and said:

"Gentlemen of the Convention—When I was selected by my associates to represent them at the meeting of the Interstate Commerce Law Convention, I came entirely unpledged and with my mind open to any deliberations of that convention. I came, as I say, absolutely uninstructed and with my mind open to hearing all sides of these great questions of supervision and freight making for the railroads of this country, and of deciding upon the merits of the case from the arguments presented.

"You know the position taken by the managers of that convention that if we, who wished to learn and they who have convictions and wish to be heard, are to accomplish anything, this meeting is the only alternative. Whether or not it would have been wiser for the Interstate Commerce Law Convention to have opened its door to this body, that a full and fair consideration of all sides of the question might have been given, the people are to decide. We are here to consider the subject openly, frankly, broadly, and in the hope that we may arrive at some conclusion upon which we can all unite. Whatever is accomplished, let it represent the conscience, the good judgment, and the best business intelligence of this convention. Gentlemen, I believe the first business the nomination of a temporary secretary. What is your pleasure?"

A VOICE: I nominate Mr. Paul Wilson of Alabama.

A VOICE: I second the nomination.

CHAIRMAN: Paul Wilson of Alabama is nominated for temporary secretary.

A VOICE: Mr. Chairman, I would like to nominate Mr. T. B. Aldridge of Denver, Colo.

A VOICE: I second the motion.

A VOICE: I will withdraw the nomination of Mr. Wilson.

CHAIRMAN: What is your nomination?

A VOICE: T. B. Aldridge.

CHAIRMAN: The name of T. B. Aldridge is suggested for

the office of temporary secretary. Are you ready for the question?

VOICES: Question.

CHAIRMAN: As many as are in favor of T. B. Aldridge serving you as temporary secretary please signify by saying aye.

Motion carried.

CHAIRMAN: It is a unanimous vote. Will Mr. Aldridge please step forward. Gentlemen, this is Mr. Aldridge. The convention is now open for business.

MR. F. W. FLEMING: The next thing in order seems to me to be to appoint committees in order to bring the matter before this convention. I move that the chair appoint a committee on credentials, a committee on permanent organization and rules, and a committee on resolutions, one from each State represented in this convention.

A VOICE: Mr. Chairman, should not the temporary organization be made the permanent organization of this convention?

CHAIRMAN: I understand not. I certainly did not take the position with the idea of serving permanently; it is new business for me.

A VOICE: Mr. Chairman, the motion of the gentleman is an intelligent one, of course, but I think he overlooks the fact that it may be impossible for the chairman to have in readiness the names of gentlemen for these various committees, and I will move to amend the motion by proceeding to name those committees by States for organizations from the respective bodies before proceeding in this convention.

MR. FLEMING: In explanation of my motion and on suggestion of the delegates in this part of the hall, I would like to suggest that there being such a large number of organizations represented in this body, some of them coming from a great distance, the Pacific coast and the borders of New England, that if we should try to constitute a standing committee or regular committee from the organizations represented in it we would have a very unwieldy body. And with the consent of my seconder I would like to amend the original motion or substitute for it, providing that three committees be constituted by the chairman of this convention and that each committee consist of nine members, a committee of nine on credentials, a committee on general organization and rules, and a committee on resolutions to consist of nine members. I think in that way we would have a smaller body of committees and it would be less difficult to promptly organize this convention for the business it is meant to transact.

MR. F. B. THURBER: I concur with the views expressed by Mr. Fleming that small committees are more effective, but this is a representative body protesting against non-representative methods, and I think we should have a member for each of these three committees from each State. These committees can appoint sub-committees to finish out the subjects that come before them, and I do think it is important that we should preserve the principles as far as possible, as far as efficiency will permit by being fair to all the sections.

MR. A. R. BRIGGS: Mr. Chairman, I am in full sympathy with the gentleman here, but I think it is too broad to begin

with. I agree with what Mr. Thurber has said with reference to State representation on these committees and I wish the gentlemen who made the motion would simply hand his motion first to the committee on credentials that we might ascertain how many States were here represented, and that no members from any State unrepresented should be represented on that committee, and I think the best thing for us to do is to determine who is here, what we represent, and what we want to call the convention.

Mr. Chairman, I think we should amend that motion.

MR. H. N. TAYLOR: I think that the first purpose of this convention should be to effect a permanent organization. I take it that the temporary organization does not have the right or the power to appoint these various committees suggested, but the first thing is to effect a permanent organization, chairman and secretary, then you have the legal authority behind all other committees.

MR. W. A. MEESE: I think we are a little premature. I am speaking as the individual member of this convention. I am taking my own case. I came to the convention with credentials that were not recognized. When I go to the convention I am required to sign something that I consider takes away my personal privilege of freedom of speech. I refuse to sign it and then I am refused credentials to that body. I come to the door and two policemen refuse to allow me to come in without that badge. That is my position. If there is any organization that existed prior to this convention now assembled, I do not know anything about it, and I suppose the majority of the delegates know nothing about it. We have come here to protest. There is no organization here. We have come here to protest. We have come here to a place where all interests can come together and give their own views. We have been refused admission unless we first pledge ourselves by signing a paper along a certain line of action, which we refuse to do. Now we come here, and it seems to me the first thing is to protest to that convention as delegates, as coming here to attend it—to protest against the action of the convention in trying to run their convention in the way they are doing it, and let us organize after that and appoint our committee. If we do that and then form an organization, I think we would be doing right. I am not a party to any scheme or plan to break up Mr. Bacon's or anybody else's organization. I have been sent here by a representative body to take part in the deliberations of that body. If their views are in accord with my views I am with them, but if they are not in accord with my views I want to have the right as an American citizen to stand here and say what I believe.

I believe it is of more importance to this gathering to act in this matter, because then when you go home and when this is printed and it comes before the people, they can say this is a body of American citizens who came here to take part in those deliberations, who were refused the rights of American citizens; that the convention is a convention dominated absolutely by two policemen and one man, and we can go back to our people and say: "We acted fairly, impartially."

MR. SEIFER: I agree with the gentlemen. I was at that door

and two policemen refused to let me in before I signed that paper and because I had no badge. I signed, unthinkingly, but did not go in. Some of my friends are over there now, some of my friends of the National Hay Association. I took off my badge and wanted to know what I had signed, and went out, after scratching my name off the books.

MR. G. X. WENDLING (California): It seems to me that the gentlemen have spoken wisely, but the fact is, the argument confronting this convention is not yet before us. The first thing is organization and it seems to me the only proper thing to do is to choose our committee on credentials from the temporary organization and out of that crystalize our permanent officers and organization; and I therefore offer the suggestion that we proceed to get our committee on credentials from the temporary organization and effect a permanent organization.

MR. F. W. SIMMONS: I confess at once that I used quick judgment in amending the motion of my friend, and with the consent of the second I would like to withdraw it. The gentleman in the rear of the hall voiced my sentiment much better than I could myself, but the committee on credentials is the only committee from which we can effect organization.

CHAIRMAN BRADLEY: If there is no objection, the chair will put the question whether we shall proceed to nominate a committee on credentials.

A DELEGATE: How many?

A DELEGATE: One from each State.

CHAIRMAN BRADLEY: The chair will put the motion—

A DELEGATE: That that committee should consist of one delegate from each State represented here.

A DELEGATE: Couldn't you include the suggestion that the State delegations name the delegates?

A DELEGATE: I think that is the proper thing to do.

A DELEGATE: Perfectly in sympathy with us, that a committee from each State be selected by the delegates from that State.

CHAIRMAN BRADLEY: The question is, gentlemen, whether a committee of credentials shall be nominated, consisting of one delegate from each State, to be named by the delegates from that State? Are you ready for the question? (The question was called for.)

MR. J. W. VAN CLEAVE: Mr. Chairman, I would like to inquire whether there are gentlemen in this room who have credentials to this meeting?

A DELEGATE: Yes, sir.

A DELEGATE: Talking about credentials, what credentials?

A DELEGATE: To the other convention.

MR. VAN CLEAVE: It occurs to me the right thing to do is to appoint a committee and present the credentials of this body of men to the convention which we came to attend. The gentlemen in the rear of the room expressed the right view of this matter. We don't want to organize an association here if the other one is right. We don't want to organize if we find out they are right. If we find out afterwards that we have no right to speak in that convention or express our views in that convention, then it will be time for us to create another convention.



It seems to me that we are here, therefore, to demand recognition of the credentials that we carry from our respective organizations.

MR. F. B. THURBER: We have done substantially what the last speaker has said. We have done it as individuals. We have been refused. We can now endeavor to get another recognition, if it be thought best to do so, through a committee, and make another demand. But in order to proceed in an orderly manner we must go ahead and see who is entitled to participation here. We must have our committee named, and I move you that when it comes to the question of our committee on credentials acting, that is, any credentials that were made for the other convention be accepted here.

CHAIRMAN BRADLEY: You offer that as a suggestion?

MR. THURBER: Yes.

(Calls of question.)

CHAIRMAN BRADLEY: The question is on the subject—

MR. P. SHELDON: I went to the convention and presented my credentials from the Commercial Club in my town as a regular delegate to the convention, and before giving me a badge I was asked to sign this pledge that is offered, and upon refusal to sign that, I was refused a badge, and my credentials I retained.

A DELEGATE: That is all right.

(Calls for the question.)

MR. F. H. MASON: We are not here representing States, if you please. A great many men in this room represent organizations in different States. Now it would seem to me very politic, if you please, sir; that the committee on credentials should be appointed by the chair from each State represented, and we can have a roll call of the States to find out what States are represented here. There is no State delegation from New York which—

A DELEGATE: That can come later on.

MR. MASON: So that no one could nominate delegates.

MR. E. MARTIN: I represent a commercial organization like other gentlemen, and I don't believe we have any right to speak for Nebraska. We have a right to speak for the Commercial Club of Omaha. We have that right in the other convention, but were were not allowed to do it. Now, we come to a meeting of this organization, whatever it may be, but we represent the Commercial Club of Omaha, and I don't believe we have a right to speak for Nebraska. There are other organizations here from our State, but if the representatives here from that State want to get together and select delegates from that State, it is all right, but the first thing to do is to find out what organizations are represented in this organization. To do that, it seems to me, a committee on credentials, say of seven or nine, is necessary from each State. Then let that committee report back that these delegates have been selected.

(Cries of question.)

CHAIRMAN: Now the question comes—is this the question, that a committee on credentials of nine members be appointed by the—

(Cries of one member from each State.)

CHAIRMAN BRADLEY: Be appointed by the State delegation? Are you ready for the question?

(Cries of question.)

CHAIRMAN BRADLEY: Mr. Martin, do you not wish to amend that motion?

MR. MARTIN: I move you as a substitute for that motion before the house that we proceed to call the roll by States, then, the various delegates answering for each State. Then we can see how many are here from each State.

Motion duly seconded.

CHAIRMAN BRADLEY: Will you please state that again?

MR. MARTIN: I propose that we should proceed with the roll call by States and that as each State is called by roll the various organizations shall announce the number of delegates representing the various organizations, ascertaining first how many of the gentlemen are present from the States represented, and then proceed with the organization of the convention.

MR. A. R. BRIGGS: I am sorry to take up so much of the time, but I want to point out the difficulty that is about to occur if we follow this plan. I doubt if there is any man representing any body, any commercial body, that can tell how many there are representing that here. (Applause.) I happen to represent a commercial organization, but I am not a representative of the State, and it seems to me when I make a motion, that if we got together—we people from California get together? We have come 3,000 miles, and I think we should recognize each other without any trouble. Let us get our delegates together and determine what we want for delegates or members of a State, and I believe that each State or the representatives of each State or each commercial body of the State can do likewise, and that it will simplify this matter and so we can go right through the whole roll call.

(Cries of question.)

CHAIRMAN BRADLEY: The question comes before the motion of Mr. Martin—the question comes upon the motion of Mr. Martin.

MR. MARTIN: I withdraw my motion.

(Cries of question.)

CHAIRMAN BRADLEY: All in favor of Mr. Briggs' motion will please signify by saying aye.

The motion was duly put and carried unanimously.

CHAIRMAN BRADLEY: It was a unanimous vote.

MR. W. A. MEESE: We have appointed a committee on credentials for what: what are we here for? Now I think the first thing we should do is to appoint a committee to set forth the grievances of the men who were appointed to that convention and were refused admission there. The grievance when set forth will form the platform of this convention. (Applause.) We have appointed a committee on credentials for what purpose? Let us in some way put ourselves on record, what we are here for, what our object is, and that object will be the platform of this convention; and it will outline the policy of this convention, and then we can send a delegation over to the convention from the accredited delegates who have been refused admission and demand recognition such as is our right before the people.

I move you now, therefore, that a committee be appointed to prepare a protest to be presented to that convention and from the platform of this convention.

MR. B. F. McMILLAN: The gentleman is premature in his resolution. I move that the credentials that were to represent the Interstate Commerce Law Convention be accepted here, so that we will know who were to come here.

MR. EASEL: I move you now that a committee, the committee on credentials, adjourn some place and act on the credentials presented.

CHAIRMAN BRADLEY: They have not been appointed.

MR. C. H. DIETRICH: I move you that we now proceed to the roll call of the States, and that the chairman of each convention or delegation or body of that State shall present the name of the man who is to act upon the committee of credentials.

The motion was duly seconded.

(Cries of question.)

CHAIRMAN BRADLEY: There is a motion before the house, and that is that the credentials that were prepared for the Interstate Commercial Body or Association be accepted by this body. Are you ready for the question?

(Cries of question.)

MR. MEESE: I rise to a point of order. The question is out of order. The motion has been made and has been seconded to prepare a protest setting forth our credentials. May we have the vote?

A DELEGATE: The question is what we are here for. We were not appointed delegates to this convention.

A DELEGATE: Let us get an organization and find out what we are here for. Now, I move you, sir, that the vote by States be taken, the roll call by States be taken, and that we find out what we are doing and where we are at.

MR. B. F. McMILLAN: We have no right to do it. I move that the matter of the credentials committee be laid on the table, and then we can get the resolution committee to work.

A DELEGATE: Before that question—before these committees can get to work, let us decide what we are here for and then get after the credentials.

A VOICE: That gentleman is out of order. It has been made and seconded.

MR. SMITH: I am going to speak about the resolution. We have here assembled to protest and we must have an organized protest. We cannot have an organized protest until we have an organization of ourselves. (Applause.) The first thing to do is to get to work and complete this organization and get this committee appointed. The gentleman who wants to appoint the committee before we are organized would be doing wrong, because we want first to be organized, and then we can protest—make an organized protest, and then we can appoint our committees for resolutions and credentials. (Applause.)

MR. DIETRICH: I now ask that the roll call of the States proceed.

CHAIRMAN BRADLEY: It is out of order. Are the members—

A DELEGATE: There is a motion before the house that I would like to have voted on.

MR. EASEL: I move you that a committee on credentials adjourn some place and act on the credentials presented. The resolution—

MR. DIETRICH: The resolution made that a roll call of States be taken is now before the house.

A VOICE: As far as I am concerned in regard to the motion of a roll call by States being taken, I, as a member, will refuse to vote, because, for myself, I do not know what you are going to incorporate here. I do not want to bind myself or my organization. I want to know what this organization is for before I register myself and my organization as being a member or delegate and taking part.

How can you do that unless you have your platform first and have your platform on which to protest? Your protest will be your platform. You call a roll of States to protest for what? You are organized for what? Let us find out what we are here for.

A VOICE: Then you become another organization.

MR. W. A. MARSH: I rise to point of sympathy for the chairman. (Laughter.) There is one motion before the house and we cannot do a thing until we dispose of that motion. I think the chairman can do that without so many solicitations and suggestions.

CHAIRMAN BRADLEY: Gentlemen, the motion has been made and seconded and is now before the house that the roll call of States be called and as they are called some member from that delegation, that State delegation, select a member for the credentials committee; that is as I understand it.

(Cries of question.)

CHAIRMAN BRADLEY: Are you ready for the question?

(Cries of question.)

THE CHAIRMAN: All those in favor of the motion will please say aye.

The motion was duly put and carried unanimously.

CHAIRMAN BRADLEY: How about the other resolution before the house? When did that come?

A VOICE: The other resolution came before the one we have just voted on. The other motion came first.

THE CHAIRMAN: Gentlemen, will you please be seated. The purpose of this chair is to be absolutely fair in this transaction. (Applause.) If Mr. Meese feels that he has been abused in this matter, I will put his motion and determine whether it prevails or not. Will Mr. Meese please state his motion.

A DELEGATE: The stenographer can settle the question who was first.

CHAIRMAN BRADLEY: I wish that would be insisted on. Let us have this proceeding above question. Will Mr. Meese please state your motion?

MR. MEESE: My motion is that the chair appoint a committee of seven to prepare a protest setting forth our grievances at being refused admission to the meeting at the Steinway Hall.

A DELEGATE: We are not organized yet.

CHAIRMAN BRADLEY: The question is on the motion of Mr. Meese.

A DELEGATE: The question before this body is on preliminary organization.

CHAIRMAN BRADLEY: The question is on motion of Mr. Meese. All in favor of Mr. Meese's motion, will please say aye.

The motion was put to the convention and lost.

CHAIRMAN BRADLEY: Now the question comes on the motion that the call of the roll—

A DELEGATE: Call the roll. The motion has been put.

CHAIRMAN BRADLEY: The secretary will now proceed to the calling of the roll by States.

THE SECRETARY: Alabama.

A DELEGATE: John Craft, of the Commercial Club.

THE SECRETARY: Arkansas.

(No response from Arkansas.)

THE SECRETARY: California.

A DELEGATE: I nominate as representative of California—we have some 30 or 40 delegates here, but I present the name of G. X. Wendling, of San Francisco.

CHAIRMAN BRADLEY: What is your association?

THE DELEGATE: I will have to put him down from the State of California, as that is the request of all the delegates from all of the various organizations in California present.

THE SECRETARY: Colorado.

A DELEGATE: Mr. Chairman, I nominate Mr. A. F. Sweet, of Denver, Colo.

THE SECRETARY: Connecticut.

A DELEGATE: Mr. Chairman, I nominate Mr. F. E. Brown, of Bridgeport, Conn.

THE SECRETARY: Delaware.

A DELEGATE: There seems to be no one responding to Delaware.

CHAIRMAN BRADLEY: Will the convention please keep their seats and keep as quiet as possible?

THE SECRETARY: Florida.

(No response.)

THE SECRETARY: Georgia.

A DELEGATE: I represent—I nominate W. F. Plane, representing the Atlanta Coal Merchants' Exchange.

THE SECRETARY: Idaho.

A DELEGATE: I present Mr. A. B. Moss, representing the Hardware Association, of Payette, Idaho.

THE CHAIRMAN: Boss?

A DELEGATE: M-o-s-s.

A DELEGATE: Illinois presents Mr. W. M. Praer, of the Illinois Coal Operators' Association.

THE SECRETARY: Indiana.

A DELEGATE: I nominate L. A. Clark, of the Commercial Club of Muncie, Ind.

THE SECRETARY: Iowa.

A DELEGATE: Mr. Chairman, I appoint Mr. Geo. Gregory of Marshalltown, Iowa.

A DELEGATE: I would name Mr. F. W. Simmons, of Ottumwa, as representing the Iowa Jobbers' Association.

THE CHAIRMAN: Does the other gentleman withdraw his nomination?

THE DELEGATE: No, Mr. Chairman, we do not.

THE CHAIRMAN: Well, then we will pass the Iowa delegation until the delegates can get together and agree on a nomination.

A DELEGATE: Mr. Chairman, I have no doubt there are members here from a good many organizations who are not members of State organizations, the roll call of which you are now calling, with reference to the Iowa and Nebraska Coal Dealers' Association, which could not come under the head of States. That is where your roll call, it seems to me, does not take in these various delegations.

THE CHAIRMAN: That is the best we can do. Let the Iowa delegation withdraw and agree upon a delegate.

A DELEGATE (from Iowa): If the gentlemen back there will come forward we may get together. There are only a few of them back there, and there are twenty or thirty of us up here. If they will come down here and make us a proposition it may be that we can get together.

THE SECRETARY: Kansas.

A DELEGATE: Kansas presents the name of E. B. Purcell, representing the Manhattan Commercial Club.

THE SECRETARY: Representing the Manhattan Commercial Club?

THE DELEGATE: Yes.

THE SECRETARY: Kentucky.

A DELEGATE: I nominate Mr. Louis R. Atwood, of the Louisville Paint, Oil and Varnish Club.

A DELEGATE: Mr. Secretary, did you call Kansas?

THE SECRETARY: Yes, Kansas has been called, and some delegate has placed a nomination.

A DELEGATE: I present Mr. H. Nesbitt.

CHAIRMAN BRADLEY: Kansas is provided for, sir.

A DELEGATE: Sir.

CHAIRMAN BRADLEY: A Kansas delegate has been nominated.

A DELEGATE: Mr. Chairman, I don't understand the way we are proceeding. Here we have delegates from every State, or nearly every State, representing the various organizations—the coal men have delegates from almost every State; and are we to be ruled out?

SEVERAL VOICES: No, No.

A DELEGATE: Get together, get together.

THE DELEGATE: We are trying to do that. We have a delegation here that represents four States—New England States; are you going to give them a voice in this Convention?

A DELEGATE: Get together.

CHAIRMAN BRADLEY: I am unable to say anything about that; I am simply following the directions of the convention.

DELEGATES: Go on with the roll call.

CHAIRMAN BRADLEY: Mr Secretary, will you please proceed.

A DELEGATE: Mr. Chairman, I would like to know if—

CHAIRMAN BRADLEY: We are proceeding along the lines laid down by the convention.

THE SECRETARY: Louisiana.

A DELEGATE: Mr. Chairman, I would like to have a list of the names of nominations from the different States. I believe it would be a good idea to have a list of them furnished.

CHAIRMAN BRADLEY: I don't know about that; I have troubles of my own. (Laughter.)

THE SECRETARY: Louisiana.

(Cries of question.)

THE SECRETARY: Maine.

S. M. BLOSS: Mr. Chairman, so far as I know, I am the only delegate here from the State of Louisiana, although I represent the National Association. I am simply in exactly the situation of the gentleman who has just spoken. I represent the National Lumber Mfg. Association.

THE SECRETARY: What is the name?

THE DELEGATE: Bloss.

A DELEGATE: I nominate Mr. Bloss.

SEVERAL DELEGATES: Second the motion. (Laughter.)

THE SECRETARY: Give me your initials.

THE DELEGATE: S. M. Bloss.

THE SECRETARY: The State of Maine.

(No response.)

THE SECRETARY: State of Maryland.

A DELEGATE: I nominate Mr. B. F. Masters.

ANOTHER DELEGATE (from Maryland): I nominate Mr. B. M. Watts, representing the Baltimore Coal Exchange.

THE SECRETARY: Massachusetts.

A DELEGATE: Mr. Chairman, I nominate Mr. H. W. Sawyer, of Lynn, Mass.

THE SECRETARY: Michigan.

A DELEGATE: Michigan places in nomination Robert Lake, president of the Michigan and Indiana Coal Dealers' Association.

A DELEGATE: Mr. Chairman, would it not be a good idea in order to save confusion for these names to be sent up written on a card. It is very difficult to keep up with all the names, and to get them correctly.

SEVERAL VOICES: No, no.

THE SECRETARY: State of Minnesota.

A DELEGATE: I nominate F. R. Salisbury, of the Minneapolis Commercial Club.

THE SECRETARY: State of Mississippi.

A DELEGATE: Mr. Chairman, I am in the same position of the gentleman—

THE SECRETARY: What is the name?

THE DELEGATE: I don't know whether there is any delegate here from Mississippi or not.

THE SECRETARY: What is the name?

A DELEGATE: I present W. N. Ethridge.

THE SECRETARY: State of Missouri.

A DELEGATE: The State of Missouri have agreed upon W. C. Perry, president of the Southwestern Coal Operators' Association. (Applause.)

THE SECRETARY: State of Montana.

A DELEGATE: Mr. Chairman: I nominate B. F. White.

THE SECRETARY: State of Nebraska.

A DELEGATE: Mr. Chairman, I nominate John T. Dryan of Lincoln, Neb.

THE SECRETARY: State of Nevada.

(No response.)

THE SECRETARY: State of New Hampshire.

CHAIRMAN BRADLEY: New Hampshire—and one from New Hampshire?

A DELEGATE: New Hampshire is represented by no one from the State of New Hampshire, to my knowledge. I represent all four of the States of New Hampshire, Connecticut, Vermont and Rhode Island.

THE SECRETARY: New Jersey.

THE SECRETARY: New York.

A DELEGATE: I nominate Mr. F. H. Mason, of Buffalo, N. Y. Mr. Mason, what organization do you represent?

MR. MASON: The Chamber of Commerce, Buffalo.

THE SECRETARY: North Carolina.

(No response.)

THE SECRETARY: North Dakota.

A DELEGATE: Mr. Chairman, with modesty truly typical of the North Dakota spirit, I nominate Mr. Maynard Crane, Cooperstown, South Dakota.

THE SECRETARY: Ohio.

A DELEGATE: I nominate Mr. John Flotron.

THE SECRETARY: Oregon.

A DELEGATE: I would name Mr. Wallace Nash, of Portland.

THE SECRETARY: Pennsylvania.

There were several nominations for Pennsylvania, as follows: J. Crooke, Samuel B. Crowell, president of the Philadelphia Retail Coal Association; Mr. A. P. Burchfield, member of the Chamber of Commerce, of Pittsburg; Mr. C. J. Detrick, representing the Pennsylvania Association of Builders' Exchanges.

CHAIRMAN BRADLEY: It will be necessary for the delegations to agree upon a delegate, and I suggest they caucus.

A DELEGATE: Pennsylvania is a great State, and we can well afford to have two representatives from that State.

CHAIRMAN BRADLEY: We want only one from each State.

A DELEGATE: We only want as many from the larger States as we have from the smaller.

Mr. Samuel B. Crowell, of Philadelphia, was finally selected as the representative from Pennsylvania.

THE SECRETARY: Rhode Island.

(No response.)

THE SECRETARY: South Carolina.

(No response.)

THE SECRETARY: Tennessee.

A DELEGATE: I nominate Mr. Eugene S. Shannon, president of the Chamber of Commerce, of Nashville.

THE SECRETARY: Texas.

A delegate from Texas named Mr. S. B. Hovey, of the Board of Trade of Ft. Worth, Texas, but the Texas delegation later sub-



stituted Mr. J. W. Knox in place of Mr. Hovey, which was agreed to.

THE SECRETARY: Utah.

A DELEGATE: Mr. Fred J. Kiesel, Ogden, Utah.

THE SECRETARY: Vermont.

(No response.)

THE SECRETARY: Virginia.

A DELEGATE: Joseph L. Kelly.

THE SECRETARY: Washington.

(No response.)

THE SECRETARY: West Virginia.

(No response.)

THE SECRETARY: Wisconsin.

A DELEGATE: I name Mr. L. Waldo Thompson, of Wisconsin.

Mr. Thompson stated later that as he would be able to attend the meeting only a short time he desired to withdraw his name, and named as a substitute Mr. William Irvine, of Chippewa Falls, Wisconsin. (Agreed to.)

THE SECRETARY: Wyoming.

(No response.)

THE SECRETARY: That completes the call.

A DELEGATE. New Mexico has been denied admission in the other place, but I hope we will not be shut out here. I name Mr. N. W. Brown, of Las Vegas, N. Mexico.

The Iowa delegation then reported that at the caucus Iowa agreed upon Mr. Carl Leopold, representing the Iowa Manufacturers' Association.

MR. C. B. HAYES: The secretary has not called the names of the Territories. There may be some delegates from those Territories.

CHAIRMAN BRADLEY: Are there any delegates from Territories other than Mexico? (No response.) It seems there are not.

A DELEGATE: Mr. Chairman, I believe inasmuch as you have this committee on credentials now appointed, as it is near the noon hour, we should take a recess until 2 o'clock so as to allow the committee on credentials to give an opportunity to the gentlemen who have come long distances to present their credentials and locate themselves, and that the committee report at 2 o'clock.

CHAIRMAN BRADLEY: The committee on credentials will convene in some convenient place and report at 2 o'clock. The Green Room of the Auditorium Annex has been suggested as a suitable place.

MR. EDWIN STEARNS (California): As we all have our credentials here, I suggest that some one from the credentials committee take up our credentials. If we adjourn for two hours the committee can go over the credentials in the meanwhile. Let each State, if you will, take up the credentials.

CHAIRMAN BRADLEY: It has been suggested that the delegate from each State on the credentials committee be empowered to collect the credentials of the delegates from his State and report on eligibility at 2 o'clock.

MR. J. I. PLATT (New York): I move that during the recess

the committee on credentials meet on the platform here, and that all delegates be requested to present their credentials in person there. There are no chairmen of many of the State delegations, and the proposition that has been made will only lead to confusion. One of the difficulties is to find out where you are meeting and what you are doing. I hunted all over Chicago to find out where the meeting was being held.

Motion seconded and carried.

MR. W. H. SMITH: I suggest before we adjourn that it would expedite matters to have the committee on permanent organization named so that they will be ready for work. I move that the committee on permanent organization and order of business be appointed before we adjourn.

MR. HAYES: If we adjourn without appointing a committee on resolutions we will lose much valuable time of the association, because necessarily if that committee is appointed after we reconvene they will do that work while we are in session, and we will meet again with practically nothing before us, and I second the motion of the gentlemen to appoint the committee before adjournment, and another committee on rules and that those committees consist of the representatives from each State, one on each committee.

A DELEGATE: I arise to a point of order, and that point of order is that motion cannot be entertained until we organize.

MR. G. X. WENDLING: It is impossible for this convention to proceed until we find out who are entitled to sit with us.

CHAIRMAN BRADLEY: The chairman so rules.

MR. N. W. McLEOD: Mr. Chairman, I would like to ask the indulgence of the meeting to make a short statement. I have information that, including the political delegates to Mr. Bacon's convention, there are 224 people in the room, that in this room there are representatives of 450 odd associations embraced in the call.

A delegate from Nebraska then named Mr. George L. Meissner, of Nebraska, as a substitute for the gentleman first named.

A DELEGATE: I suggest that the meeting appoint one or two sergeants-at-arms to meet the delegates as they come in this afternoon.

CHAIRMAN BRADLEY: That cannot be done until we find out who are the delegates.

Upon motion, duly seconded, the meeting adjourned for a recess until 2 o'clock p. m.

## AFTERNOON SESSION.

October 26th.

The meeting was called to order at 2:30 p. m. by Temporary Chairman Bradley.

CHAIRMAN BRADLEY: Will the delegates in the room come forward? It is very hard to reach the rear of the room and much harder to hear what is said. The first business of the convention is to listen to the report of the Committee on Credentials. Are they ready to report?

MR. W. C. PERRY: Mr. Chairman, and Gentlemen of the

Convention: The Committee on Credentials during the recess have gone through a great mass of credentials hurriedly, and there may be mistakes made. We may have omitted some gentlemen from our report who are entitled to seats in the convention. We have performed our work as thoroughly as we could, but necessarily it may be imperfect, and as the secretary reads the roll of delegates which the committee has prepared, I would ask the careful and particular attention of every delegate in the convention, so that in case there are mistakes they may be corrected. And I would ask each delegate if a mistake does occur of which he is cognizant to call attention to it, so that we may correct it.

We have prepared an alphabetical list of delegates, and as I say, the secretary will read it. It will not be the report of the delegates of each state in that form, although I think all the delegates from each state are included in the report, but so many delegates representing no states or institutions or organizations in states, but organizations which reached over the state boundary lines, in order to make an intelligent report, we made it in this form. There are a number of gentlemen here who presented us with their credentials who were appointed by the governors of the various states. We have reached the conclusion that under the call for the convention issued by Mr. Bacon and of which we insist we are still part, and in fact the actual convention that was called—(Applause), under that call, no one was entitled to send a delegate here except an association or organization of men engaged in industrial pursuits or manufacturing business or producing business and only organizations were entitled to send delegates. That is the letter and the precise language of the call.

Now, Mr. Bacon, when he found that there were more men against his motions than were in favor of them, when he found that he was going to be outnumbered in his own convention by the people he had invited to attend it, and who were qualified to attend it, issued a supplemental call and invited the governors of the various states to appoint a member or delegate from each congressional district. That act was entirely without warrant of authority and entirely without the purview of the original call for the convention, and entirely beyond the authority of Mr. Bacon, or his committee created at the last convention held in St. Louis last summer.

So we have concluded that we have no authority to seat anybody in this convention that is not qualified under the rule, we report to you that in our judgment these gentlemen appointed by the governors should be admitted to seats and given the privileges of debate in this convention, but not authorized to vote.

Now I ask the secretary of the Credential Committee to read the list of delegates and I ask each delegate here to listen carefully to the reading so that we may correct any mistakes we have made.

Thereupon the secretary called the roll of the delegates as follows:

THE SECRETARY: I am requested to read this letter, under

date of the 23rd instant, addressed to F. W. Fleming, notifying him of his appointment as a delegate to the convention, representing the Manufacturers' and Merchants' Association of Kansas City, signed by its secretary.

(The letter referred to was not read at this time.)

THE SECRETARY: Are there any further credentials to be handed in?

MR. JOHN I. PLATT: I move that this report be received, that the committee be continued and authorized to add the names of such others as may present credentials of a satisfactory nature.

CHAIRMAN PERRY: As chairman of the committee, I desire to second that motion, and in that connection I want to say I do not know why it is that the press, apparently, does not desire to give this meeting a fair report. (Applause.)

I have understood that more or less charges are made, or insinuations indulged in, that the delegates to this convention do not represent anything, and that this report of the committee on credentials is more or less spurious.

Now I desire to say if there are any newspapers that may want to publish it, that it is not true; that every man on this report—every man whose name appears on this report—has signed his name to a card giving his place of residence in his own handwriting and what he represents in this convention. (Applause.) And in every case he represents an organization such as was described in the call for the convention, and is fully qualified. There is no myth about it; it is an actual fact, and he is here to speak for himself.

I do not know how all these gentlemen stand on this question of rate regulation by Congress—so far I have not bothered my head or my mind about that proposition. but I am here to assert, without any fear whatever of contradiction, that every man in this meeting was qualified and is qualified as a delegate of the Interstate Commerce Law Convention, called by Mr. Bacon, and that the signature of every man in the convention is here together with credentials in proper form authorizing every such individual to represent his constituency in the Interstate Commerce Law Convention.

With these remarks I desire to second the motion to adopt the report of the committee.

CHAIRMAN BRADLEY: Gentlemen, you have heard the motion of Mr. Platt. The question is on the motion. Are you ready for the question?

Upon vote, the motion was unanimously carried.

MR. JOHN KIRBY, JR.: Mr. Chairman, and Gentlemen of the Convention: I have a matter I would like to present to the delegates. In view of the fact that this is a bolters' convention or a bolters' meeting, it appears to me—

A NUMBER OF DELEGATES: No, no.

MR. KIRBY: Well, have it as you please, gentlemen. We will not quarrel about that. But it seems to me before we proceed with permanent organization or any business, we should express our condemnation at the reception we got at the other hall. I therefore wish to offer this resolution:

"WHEREAS, The delegates here assembled representing some four hundred and fifty trade and industrial organizations throughout the United States, have gathered in Chicago, pursuant to a call issued by Mr. E. P. Bacon, chairman of the Executive Committee of the Interstate Law Convention;

"WHEREAS We, the delegates of the said 456 organizations, appeared at Steinway hall on the morning of this 26th day of October and presented our credentials, whereupon before being granted admission to the hall of the convention we were required to sign a pledge committing ourselves to certain prescribed views on the question of railroad regulation, which obligation debars discussion in variance with such views;

"WHEREAS, The method employed by the management of the so-called Interstate Law Convention, in demanding such an obligation from delegates is a thrust at the vital American principle of liberty and free speech and contrary to the method of a square deal as laid down by President Roosevelt, such method of conducting the convention being based upon the principle of gag rule which we abhor, denounce and condemn; now, therefore, be it

*"Resolved*, That we delegates representing all sections of the country who have been denied admission thereto for the reasons stated, do hereby enter our emphatic protest against the un-American methods adopted by the management of said convention; and be it further

*"Resolved*, That we indignantly refuse to participate in any convention where the question or questions at issue cannot be brought into the field of free and open discussion; be it further

*"Resolved*, That inasmuch as there is an overwhelming majority of duly accredited delegates here present, we declare this to be the duly called convention; be it further

*"Resolved*, That a committee of five be appointed by the Chair to so notify the minority delegates now in session in Steinway Hall, and invite them to be present."

VOICES: Second the motion.

MR. DAVENPORT: Mr. Chairman and Gentlemen: The resolution just read expresses accurately and absolutely my individual sentiments.

As a legal proposition, gentlemen, there is no question that the majority of the delegates from the organizations invited by Mr. Bacon to attend a convention here being present in this hall, after having offered themselves for admission in the place which the executive committee had selected for the holding of the convention, and being excluded by force, and a show of force, and having resorted to this open convention hall, this constitutes in law the Interstate Commerce Law convention. (Applause.)

There cannot be two opinions on this subject because it has been repeatedly adjudicated by the courts of this country. And if it were a question involving property rights, or if it were a question involving other rights, the courts of this country would hold that this majority of the delegates appointed constitute The Interstate Commerce Law Convention.

Now the question is what ought we to do under the existing

state of facts. Mr. Bacon issued his call. That call sets forth the objects for which we convene. That call has been interpreted by Mr. Bacon and the minority as restricting the action of this body. This convention as a body has the right to determine itself the scope of that call, and the proper thing to do at this time is to appoint a committee to notify the minority who hold credentials of a similar character with our own, to come into this body, if they see fit to come—and I hope they will—and come here prepared to present their views as fully as we desire to present ours, and as we expect to present them, well and good. If they see fit to stay out, why, that we cannot help. And then, gentlemen, it gives me great pleasure to say that I never in my life stood before such a representative body of American business men as I see before me to-day. (Applause.)

From the Atlantic to the Pacific and from Canada to the Gulf, representatives of the great industrial, commercial and producing interests of this country are here represented for the purpose of considering one of the greatest questions that has ever been presented to the business men of this country and the citizens of this country, calmly, sanely, conservatively and deliberately; and we ought to invite the expression of every person who cares to be heard on any phase of this matter. And it seems to me that it is eminently proper at this stage of the proceeding, the chair should appoint a committee to go to these gentlemen and as best they can invite them to attend. (Applause.)

(Cries of good.) (Cries of question and rising vote.)

A-DELEGATE: I move the resolution be adopted as read.  
(Cries of question.)

CHAIRMAN BRADLEY: Are you ready for the question?  
(Cries of question.)

CHAIRMAN BRADLEY: All in favor of the motion will express it by a rising vote.

The motion was duly put by a rising vote and carried unanimously.

CHAIRMAN BRADLEY: The motion is carried unanimously.

CHAIRMAN BRADLEY: What is the next thing, gentlemen?

A-DELEGATE: The next thing to do is to appoint the committee, and the extending of the invitation along the lines of a resolution just adopted.

CHAIRMAN BRADLEY: The Chair will think—will take a few moments to consider that committee. There will be a recess of five minutes.

MR. PLATT (New York): I want to make this suggestion: That we appoint a committee on permanent organization.

CHAIRMAN BRADLEY: It is doubtful if we can get the committee appointed, so that the purposes of this motion can be carried out.

MR. PLATT: It was to save time, that was all.

MR. BRADLEY: I will try to expedite matters all I can. We will now take a five minutes recess.

A recess of five minutes was then taken, after which the meeting was again called to order by Chairman Bradley. The

Chairman then announced the appointment of the following committee:

Mr. John Kirby, Jr., of Dayton, Ohio.

Mr. N. W. McLeod, of St. Louis.

Mr. Daniel C. Ripley, of Pittsburg.

Mr. J. W. Van Cleave, of Missouri.

Mr. Arthur R. Briggs, of California.

CHAIRMAN BRADLEY: It has been suggested to me that a little more push would be very acceptable to most of the members of the convention. A great many are anxious to hear all they can of the proceedings and get away. Mr. Kirby wishes the members of the committee to follow him out of the meeting. I hope you will assist the chair as much as possible in making as good time as can be done under the circumstances.

MR. DIETRICH: I move that the temporary organization now be made permanent.

Motion seconded.

MR. PERRY: Mr. Chairman, I want to make the suggestion—I would be very glad indeed to move that the temporary organization be made permanent if it were not for the desire of the temporary chairman himself.

CHAIRMAN BRADLEY: The temporary chairman desires to say that under no conditions could he accept the honor.

MR. PERRY: I desire to nominate Mr. N. W. McLeod as permanent chairman of this convention.

Motion is seconded.

MR. W. C. PERRY: I also desire to nominate Mr. G. X. Wendling of San Francisco as vice-president.

Now, Mr. Chairman, Mr. McLeod is more responsible for this convention than any other man in the country. He has done more work, and if we want more work done in the future he will continue to do that. Besides that he is in his own person the representative of a very important manufacturing institution. Mr. Wendling has also been active and diligent and zealous in his work in this convention and is in the room present, and is a representative of a very important interest in a state on the Pacific Coast. I move the nomination of Mr. McLeod as permanent chairman and Mr. Wendling as vice-chairman of this convention. And I move that the present secretary, the temporary secretary, be the permanent secretary.

VOICES: Second the motion.

MR. TURNER: I wish to suggest also, Mr. Perry, that it would perhaps geographically strengthen the organization if we can select from New England a good vice-chairman or two vice-chairmen, either one.

A DELEGATE: I would suggest Mr. Bradley as the other vice-chairman.

A DELEGATE: Second the nomination.

CHAIRMAN BRADLEY: Put the motion to the house that Mr. N. W. McLeod be elected permanent chairman, and motion unanimously carried. Chairman Bradley thereupon put the motion to the house that M. G. X. Wendling be elected vice-chairman. Motion unanimously carried.

CHAIRMAN BRADLEY then put the motion to the house that

T. B. Aldridge be elected permanent secretary. Motion unanimously carried.

MR. PERRY: Our present temporary chairman is an exceedingly modest gentleman, and I take the pleasure of submitting to you the question whether he shall also be elected vice-chairman of this convention. All in favor of his election say "Aye."

Motion unanimously carried.

A DELEGATE: Mr. Chairman, are motions now in order?

CHAIRMAN BRADLEY: I suppose the permanent chairman will preside now.

A DELEGATE: I suppose where the chairman has gone to the other hall in discharge of his duties the vice-chairman will take his place.

CHAIRMAN BRADLEY: I suppose the first vice-chairman will occupy the chair.

(Mr. Wendling takes the chair.)

VOICES: Speech; speech.

Mr. G. X. WENDLING: Now, gentlemen, I am not going to make a speech now.

(Cries of "Speech, Speech.")

MR. WENDLING: Attention. I am not going to make a speech now. I am going to listen to the speeches you are going to make. I am not going to rule with a rod of iron, but I do intend that only one delegate shall address the convention at a time. When a delegate takes the floor, the balance of the delegates must be backed into a blind siding.

A DELEGATE: Mr. Chairman:

CHAIRMAN WENDLING: Your name, sir.

THE DELEGATE: W. B. Dean, of St. Paul.

CHAIRMAN: Mr. Dean of St. Paul desires to make a motion.

MR. DEAN: Mr. Chairman, if Chairman McLeod is in the room at this time, I suggest that a committee of two be appointed to conduct him to the chair.

THE CHAIRMAN (Mr. Wendling): I will appoint Mr. R. A. Long of Kansas City, and Mr. George W. Scott of San Francisco.

Whereupon said committee escorted Chairman McLeod to the chair.

CHAIRMAN WENDLING: While the committee is acting, gentlemen, let us get down to business. What have you for consideration?

A DELEGATE: Mr. Chairman:

ANOTHER DELEGATE: Mr. Chairman:

CHAIRMAN WENDLING: The gentleman who has the floor. Your name, sir?

THE DELEGATE: Praer.

CHAIRMAN WENDLING: Mr. Praer has the floor.

MR. PRAER: As a member of the Credentials Committee, there has been some additional names handed to me, and it seems to me to be a suitable time to present them now that they may be added to the list of delegates.

CHAIRMAN WENDLING: Let the gentlemen please come forward and present them to the secretary.

Whereupon Mr. Praer presented to the secretary the names of Mr. P. W. Goss of the Allis-Chalmers Company, Mr. C. W.



Sheldon and Mr. Kenrick Barnhart, all of Chicago, and representing the National Business League. (Applause.)

CHAIRMAN WENDLING: Gentlemen, what is your pleasure in this matter? Are you prepared to entertain the motion?

A DELEGATE: Mr. Chairman, there was a motion made that the credentials be delivered to the secretary, and the names passed upon.

A DELEGATE: Mr. Chairman, I beg to make the following motion:

THE CHAIRMAN: Your name, sir?

THE DELEGATE: Dean.

CHAIRMAN WENDLING: Mr. Dean, of where?

MR. DEAN: St. Paul.

CHAIRMAN WENDLING: Mr. Dean of St. Paul makes a motion.

MR. DEAN: Mr. Chairman, I move that all resolutions offered in this convention, after reading, shall be referred to the committee on resolutions when appointed.

A DELEGATE: I second the motion.

CHAIRMAN WENDLING: Gentlemen, you hear the motion which has received a second. All in favor of the motion make it known by saying Aye; contrary No. All in favor of the motion say Aye. (Cries of "Aye.")

CHAIRMAN WENDLING: Contrary, No. (Cries of "No.")

CHAIRMAN WENDLING: The motion is almost unanimously carried. Now, gentlemen, I wish to yield the gavel to your present chairman, and I am pleased to introduce to you Mr. N. W. McLeod.

PRESIDENT-ELECT McLEOD: Gentlemen of the Convention: I have no speech to make to you at this time. I have some ideas on the subject that we are here to consider, but I will take the floor at some time during our proceedings and hope to speak to you from what I have prepared to say. I will attempt to decide any questions I am called upon to decide with fairness and without regard to the direction in which my desire for the decision goes.

What we want is absolutely free thought and to determine the sentiment of the business interest of this country as represented here.

Gentlemen, I thank you for the honor you have conferred on me. (Applause.)

What is your pleasure?

Mr. A. C. RULOFSON: I move you, sir, that we now proceed to the appointing of a committee of nine on resolutions.

CHAIRMAN McLEOD: Is that motion supported?

The motion was duly seconded.

MR. THURBER: I would move you that the Committee on Resolutions be constituted as we constituted our Committee on Credentials, and if it should appear and prove to be a large committee they can appoint a sub-committee to throw out the immaterial things. I think it is in accordance with the principles we started in with, that is, to have this a representative meeting.

CHAIRMAN McLEOD: The gentleman is correct in saying that we want this convention representative in every sense but

we do not want to yield material matters to immaterial matters. If it is material we should devote it to a separate committee, if it is not material then there is no need, but it seems to me to be material.

CHAIRMAN BRADLEY: Is the gentleman's substitute supported?

The substitute motion was seconded.

CHAIRMAN BRADLEY: Gentlemen, are you ready for the amendment?

The question on the adoption of the amendment was then put to a vote and defeated.

CHAIRMAN BRADLEY: Are you ready now for the question on the original motion?

(Calls for question.)

The question of the adoption of the original motion was then put to a vote and carried.

CHAIRMAN BRADLEY: Gentlemen, how shall that committee be appointed?

A DELEGATE: By the Chair.

CHAIRMAN BRADLEY: I will ask Mr. Wendling to take the chair while I consider the appointments.

TEMPORARY CHAIRMAN WENDLING: Mr. McLeod was chosen as chairman of the committee to visit the gentlemen in the other convention hall, but finds it impossible to fill the place. Mr. Geo. W. Scott of San Francisco will be added to that committee. (Applause.)

MR. WM. IRVINE: Mr. Chairman, I move you the appointment by the chair of a committee of five on finance.

CHAIRMAN McLEOD: Is that motion supported?

The motion was duly seconded.

CHAIRMAN McLEOD: How shall they be appointed?

MR. IRVINE: By the chair.

CHAIRMAN McLEOD: By the Chair, a committee on finance? Are you ready for the question?

Cries of "Question."

CHAIRMAN McLEOD: Those in favor will signify by saying "Aye."

The motion was duly put and carried.

CHAIRMAN McLEOD: It is so ordered.

MR. DAVENPORT: I would inquire whether it is the desire of the delegates that they hold an evening session or whether we are going over until to-morrow.

CHAIRMAN McLEOD: Gentlemen, the question is whether this meeting shall adjourn until some hour after dinner, or whether the adjournment shall be—whether we shall adjourn until tomorrow. What is your pleasure in that matter?

MR. THURBER: We do not want to stay longer than it is necessary, but we do want to stay until the meeting is over with. I move that we do have a session this evening, beginning at such a convenient hour as may be best for the purpose of the Convention.

MR. WALLACE NASH: I second the motion.

CHAIRMAN McLEOD: Mr. Thurber moves—

MR. D. HULL: That will interfere very much with a meet-

ing called by a great many delegates for this evening and a good many of them have come here to attend that meeting. When it was called it was thought there was no meeting of the convention in the evening. We would like to be present.

MR. DIETRICK: I think we ought to be in session for a short time for the committee to go over to the other convention and be able to report, and I believe we ought to wait.

CHAIRMAN McLEOD: The proposition was not to adjourn now, but to determine when we adjourn to.

MR. KING: Then I move this meeting adjourn, when it adjourns, that it adjourn until tomorrow at ten o'clock.

MR. THURBER: I move to amend and make it nine or ninety. Let's save all the time we can.

MR. KING: I will accept that amendment as nine o'clock.

Motion put before the house by the Chair and unanimously carried.

CHAIRMAN McLEOD: What is the further pleasure of this convention?

MR. THURBER: When will the presentation of resolutions be in order?

CHAIRMAN McLEOD: At any time.

MR. THURBER: Then I would like to read and present for consideration of the committee the following resolution; not that it is perhaps perfect for our present situation, because I believe the resolution sent around by Mr. Perry is an admirable one, but there are one or two points in the resolution adopted by the National Board of Trade at their meeting which might possibly be embodied by the committee in Mr. Perry's resolution.

Thereupon Mr. Thurber read said resolution, which is in the words and figures following:

(Offered by F. B. Thurber of the U. S. Export Association.)

RESOLUTIONS IN RE INTERSTATE COMMERCE ADOPTED  
BY THE NATIONAL BOARD OF TRADE AT ITS  
THIRTY-FIFTH ANNUAL MEETING, WASHINGTON, D.  
C., JANUARY, 1905.

The National Board of Trade, believing that the interests of the people demand, not only that the rates of transportation should be reasonable and that there should be no unjust discrimination or preferences, but also that there should be a more effective governmental supervision of all transportation agencies, expresses the earnest hope that Congress will, in its wisdom and as speedily as possible, enact such legislation as will, with justice to all interests concerned, secure a more speedy and more effectual correction of any abuses in transportation methods or operations which may, upon due inquiry, be found to exist; and to that end that power be given to the Interstate Commerce Commission to revise any rates found to be unreasonable or discriminating, the revised rates not to go into effect until the action of the commission shall have been, upon review, confirmed by the Circuit Court of the United States of competent jurisdiction.

*Resolved*, That the National Board of Trade earnestly advocates legislation by Congress to amend the Interstate Commerce

Law so as to permit reasonable traffic agreements by railroads, under the supervision and control of the Interstate Commerce Commission, to the end that unjust discrimination may be prevented and reasonable, uniform and stable rates be established.

*Resolved*, That the act to regulate interstate commerce be amended, to-wit: That private car lines and terminal railroads engaged in interstate commerce be considered as common carriers and subject to the Interstate Commerce Act.

CHAIRMAN McLEOD: The resolution will be referred to the resolution committee without debate.

MR. DAVENPORT: Would it not be well to call for resolutions? There may be a good many gentlemen having them to offer.

CHAIRMAN McLEOD: I assumed they would offer them. We are ready for anything you desire be done. If you have resolutions to present, we would be glad to hear them now.

CHARLES P. LANE (Alabama): I have a resolution here I would like to present.

Mr. Lane then advanced to the platform and read the following resolution:

*Resolved*, That we extend to Theodore Roosevelt, President of the United States, our hearty approval of his recent action in bringing about peace between two great foreign nations, which act distinguished him as the greatest of peace-makers, and reflected credit upon the great peace-loving and God-fearing nation he represented.

*Resolved*, Second, That his tour of the South may be productive of concord, peace and unity of country-love between the sections of our country.

*Resolved*, Third, That this convention appreciates his good purposes and objects in attempting to secure equitable and satisfactory solution of all contentions between the people and our greatest promoters and developers of the country, the railroad corporations, and so far as is consistent with our construction of the Constitution of the United States, the powers vested in the Federal Congress by the same, which throws an all-powerful protection around the rights of the individual, we will support and encourage him. But at the same time, we express to him our intelligent and patriotic apprehension that any radical changes in our methods of control might greatly jar and disturb the matchless growth, prosperity and progress our country is now enjoying.

MR. TRAXLER: Mr. Chairman, I have a resolution I desire to offer.

THE CHAIRMAN: I think that it would be wise, in view of the fact that there is some doubt in the minds of some people, at least so expressed by the newspapers, as to the character of the delegates represented here, that when a gentleman rises to speak he should tell not only his name, and where he is from, but what he represents precisely.

MR. TRAXLER: My name is Traxler. I am from Minneapolis, Minn., and I represent the Northwestern Lumber Dealers' Association. I have a resolution which I would like to pass to the Chair, and ask that the same may be read by the secretary.

THE CHAIRMAN: Will the gentleman please read the resolution himself?

MR. TRAXLER: I had rather pass it to the Secretary and let him read it.

THE CHAIRMAN: Very well.

(The resolution referred to was here handed to the Secretary.)

THE CHAIRMAN: The Secretary will now read.

THE SECRETARY: Gentlemen, as this seems to be a carbon copy, it is rather difficult to read.

(The Secretary read as follows:)

"Whereas, the railroad companies of this country, in performing their functions as common carriers, have been permitting practices which result in gross discrimination—"

THE SECRETARY: I would like for the gentleman to come forward and read the resolution, as my eyes are not sufficiently good to read it.

MR. TRAXLER: (Advancing to the platform, read as follows:)

#### TRAXLER RESOLUTION.

Whereas, The railroad companies of this country, in performing their functions as common carriers, have been permitting practices which result in gross discriminations, unequal rates, unfair competition between persons and between markets, and other practices which create unequal privileges to a favored few to the great and permanent injury of the great mass of our people, and

Whereas, We believe the vital interests of the whole country require and demand such immediate legislation on the part of Congress as will furnish speedy, efficient and permanent relief; therefore be it

*Resolved*, That we, the representatives of the various trades, industrial and producing interests of the country, in convention assembled, do hereby respectfully petition such legislation on the part of Congress, and at the earliest possible date, as will furnish a full and efficient measure of relief to all classes of persons, trades and business interests in all matters touching joint rates, unjust discriminations, rebates, secret cut rates, private cars, private car lines, terminals, terminal facilities, freight classifications, competition between carriers, competition between markets, and all other matters which interfere with or tend to prevent the furnishing by common carriers of equal facilities and equal privileges to all classes of shippers and with favors to none.

*Be it further Resolved*, That we are strenuously opposed to any legislation, first, which is revolutionary in its tendencies or which is indefinite or uncertain in either its application or its results; second, which creates or attempts to create a cumbersome court with a code of untried practice and procedure which must result in delays and disappointments; third, which vests or attempts to vest doubtful or unlawful powers upon an inadequate court, thus making necessary and inevitable the delay of an appeal to the Supreme Court of the United States to determine its legal status.

*Be it further Resolved*, That we respectfully petition such further and immediate legislation on the part of Congress as will provide for the appointment of a competent Commission by a non-partisan and non-political agency with power to determine, upon proper and legal application, all violations of law touching the matters mentioned above, with such additional provisions as will make skillful procrastination or disastrous delays impossible; as will furnish full, immediate and satisfactory relief and establish equity, justice and equality amongst all classes and conditions of shippers throughout all parts of our country.

*Be it further Resolved*, That it is the sense of this convention that a permanent federation of commercial, industrial, producing and allied organizations of the country be organized and maintained, the object and purpose of which shall be to crystallize the best thought of the country and to formulate and express the same in proper form for enactment into law, and to take such measures as may be deemed necessary or expedient to bring the same to the attention of Congress, to the end that the highest measure of efficiency in legislation touching the matters herein referred to shall be secured at the earliest possible moment.

MR. F. C. NUNEMACHER (Kentucky): As to representation, I am a double-header. I represent the National Association of Manufacturers, the Louisville Board of Trade, the Louisville Employers' Association, and Builders' and Contractors' Exchange.

*Resolved*, That the Congress of the United States is respectfully petitioned to take from the Interstate Commerce Commission all judicial and legislative functions and charge the said Commission with the duty of inquiring as a prosecuting body with the powers equal to those usually accorded to grand juries, into any discriminations or unreasonable rates that may be brought to their attention, having full authority to examine the books and accounts of railway companies (in the same manner as those of banks are now inspected by National Bank examiners, a penalty attaching for an unlawful disclosure of said examination) and of proceeding in the courts of propriate jurisdiction to enjoin or punish any unlawful action on the part of the railroads and to give procedure to all courts of the United States to all such cases or proceedings as may be so brought by the said Commission and in districts where the volume of cases cannot be handled promptly in the courts of appropriate jurisdiction, prompt legislation be enacted to provide for an additional division of such courts.

F. C. NUNEMACHER.

\* SENATOR DIETRICH (Nebraska): Mr. Chairman and gentlemen, I have a short resolution:

*Resolved*, That in the opinion of this convention that conferring ratemaking power upon the Interstate Commerce Commission in any degree and making its findings operative until reversed by the courts is ill-advised and would retard rather than develop the commercial and farming interests of the United States which have progressed more rapidly under the unhampered management of the great transportation companies than in any other country and have resulted in giving to the United States the lowest freight rates in existence, being less than one-half the rates quoted by any other nation. Giving the ratemaking power to the Interstate Commerce Commission would result in making a con-

flict between the states and national conditions which could only result in chaos and ruin to both shippers and transportation companies, and would result in maximum or distance tariffs which would disturb and destroy interstate and international competition.

*Resolved*, That this Association is opposed to unjust discrimination in any form in the operation of our public highways; that private car lines and terminals should be under government supervision, but a reasonable elasticity in operation is necessary in order to market our products, and that to deny this would operate to the detriment of our producers, manufacturers, laborers, and the general public.

CHAIRMAN McLEOD: Are there any further resolutions? I am requested to announce that the resolutions committee will meet at 8 o'clock tonight at Room 802, Auditorium Annex.

D. M. PARRY (Indianapolis): Gentlemen, I have something to say that will take fifteen or twenty minutes. Will the convention give me that time?

CHAIRMAN McLEOD: Yes, sir.

D. M. PARRY: I appear before you as the president of the National Association of Manufacturers, an organization that includes in its membership over 3,000 of the industrial plants of the country having an aggregate capital of some billions of dollars. As the Association represents a large percentage of the capital invested in manufacturing, and as its membership is to be found in every State of the Union, it is certainly appropriate that it be given a hearing at a gathering such as this, which is made up of shipping interests that are directly dependent upon fair and impartial treatment from the railroads in the matter of freight rates. If the figures were obtainable, I believe that it would be found that the membership of the National Association of Manufacturers constitutes as important a portion of the freight patrons of the railroads as any other interest here represented.

At the last convention of the Manufacturers' Association in Atlanta in May of this year, the subject of giving the Interstate Commerce Commission extended powers was one of the leading questions discussed, and in open convention the following resolution was adopted without dissent:

*Resolved*, That we favor the active enforcement by the executive department of the general government of all existing laws to prevent the giving or acceptance of rebates or special favors (through whatever device) to or by favored shippers, and we call upon the Interstate Commerce Commission to apply all the remedies at its disposal as provided by the original interstate commerce act, and the Elkins act amending the same.

*Resolved*, That if the existing laws for the detection or punishment for the acceptance of such rebates are insufficient or defective in any respect, we favor the enactment of such further legislation as may be necessary, to adequately deal with the evil and to secure its complete prevention.

*Resolved* That in order to carry into effect the provisions of the foregoing resolutions, Congress should be asked for a provision to be made for the necessary examination of the books of the railroad corporations, something after the manner of the National Bank examinations, for the purpose of detecting and

eliminating special favors and discriminations against small or less favored shippers, and a provision for adequate punishment for improper disclosure of confidential information so gained.

It will be observed that there is nothing in this resolution endorsing the proposition for government ratemaking. On the contrary it strictly confines itself to a reiteration of demands made in previous conventions that the rebate evil in all its forms be adequately dealt with. I will not hide the fact that prior to the adoption of this resolution there was an earnest effort made by some of our good members in committee meetings to have the government ratemaking proposition endorsed, but these members gracefully yielded to the dominant sentiment of the membership present at Atlanta, and attempted no opposition in the open convention to the adoption of the resolution. The resolution therefore may be taken as reflecting the views of a large proportion of the manufacturers of this country on the so-called interstate commerce question. Without prejudice to the opinion of those manufacturers who do not deem the resolution as adequate to meet the present evils, I desire to present briefly the principal reasons of those who do believe that the resolution goes far enough, and I wish to emphasize the fact that those who believe in the implied purport of that resolution, which is that the government should not go into the ratemaking business, have rapidly increased in number in the last several months.

As I take it, there is practically no opposition from any source to the eradication of unjust rate discriminations of every sort, and I believe that there is little dissent from the view that the Elkins Bill has largely eliminated the question of discriminations between individuals, leaving the charges of discriminations between localities and different classes of traffic as the main grounds urged for further legislation in this matter of discriminating rates. Able lawyers have asserted that the Elkins act covers even these latter classes of discriminations. But be that act as it may, it still remains that the sentiment of the country is practically a unit on the proposition that the improper discriminations shall cease, and that the law, if not adequate to prevent them, should be amended sufficiently to make it adequate.

But right at this point comes a divergence of opinion on this great subject. The leaders of the government rate movement insist that in order to remedy discriminations declared to exist in published tariff rates as between different localities and different classes of goods, it is necessary that the Interstate Commerce Commission be given the power to veto such published rates and compel the publication of new rates of its own determination. On top of this, these gentlemen also insist that the commission shall be given the power to veto published rates where there is no question of discrimination between the locality of products, but where the only point involved is the question of the reasonableness of the rates themselves. In other words, it is demanded that the Interstate Commerce Commission go into the business of fixing rates. I wish to make several observations at this point. The first is that this controversy now revolves about the published rates of the carriers, it being conceded apparently that the law is adequate which compels the carriers to enforce the published



rates against all individuals, that is, it is conceded that the rebate evil is satisfactorily dealt with by existing law. The second observation is that it is asserted by the friends of the government ratemaking proposition that the commission would not, if given the power to fix rates, exercise that power to any wholesale extent, but it cannot be denied that the change of even an insignificant rate may force the change of many rates over a wide territory. And it also cannot be denied that if the Commission should disappoint its friends in this respect and decide on the changing of all the rates in the country at one fell swoop, it could do so about as readily as it could change a single rate. The third observation I will make is that it is proposed not altogether to deprive the carriers of their day in court, but they are first to be adjudged guilty and punishment meted out to them, after which they may, if they desire, go to court about the matter. This may not be as bad as hanging a criminal before trying him, but it has some points of close resemblance to such procedure?

Without going into the statistics and data offered by the friends of government ratemaking in support of their contentions, I wish to remark that the remedy they offer for alleged evils, be they real or imaginary, is one of the most radical ever proposed by intelligent business men in this country. One moment's consideration of the proposal that the government shall go into the business of fixing the prices of transportation ought to be sufficient to make every conservative, fair-minded man pause and reflect. It is from the populace and demagogues that we have come to expect propositions that the government shall interfere with the rights of property, and it is hard for me to believe that business men should now lend serious attention to a proposition that is not a whit better than that of government ownership or the free coinage of silver. I refuse to believe that this government ratemaking proposition reflects the real sentiment of the great majority of the shippers of this country, for to my mind to believe such a thing is to assert that the shippers have combined their forces for the purpose of tyrannizing over the railroads and depriving railroad capital from reaping the profits from which, under the free institutions of this country, it is entitled. Rather do I prefer to believe that this crusade to endow a political commission with a socialistic and czarlike power to fix transportation prices is what is popularly and very aptly termed a hot-air movement fathered in the main by professional political agitators and men who have private reasons of their own for fighting the railroads. I believe that as the shippers come to consider this question they are more and more inclined to take the view that government ratemaking is an impracticable and dangerous scheme, and that at least it must be given very earnest consideration before extending it their support. The resolution adopted at the Atlanta convention shows that the manufacturers there present reached this conclusion, and I believe that other organizations have come or are gradually coming to a similar view.

I am perfectly aware that by voicing these views I incur the risk of being charged with being a representative of the railroads at this conference, and therefore I take this opportunity of denying that I appear here in any such capacity. I am here to reflect

the opinions of those shippers who believe in conservative and carefully considered action on every public question, and who also believe that every industry, including even the railroad industry, is entitled to fair treatment and the enjoyment of those rights of property which are accorded to other industries. Mark you, this is not saying that the railroads should not be made to deal justly with the public and with business interests generally, but it is saying that as the manufacturers, the stock raisers and other business interests expect to be dealt with, so also should they be ready to deal justly with the railroad industry. It is saying that to adopt the socialistic principle of government interference with the return on railroad capital is but paving the way for the enlargement of the same principle to cover prices of the farmer and manufacturer. This idea has been pooh-poohed, but as a matter of fact there is no argument that can be asserted in favor of government ratemaking that cannot be made to apply with equal force to the fixing of prices by the government on all commodities. For example, if it is right for the government to determine arbitrarily the relation between prices for transportation in several communities, it would be equally right for the government to determine the relative prices of shoes in the same communities.

Heretofore the right of the owner of capital to secure the highest prices he can obtain in the market for his product has not been seriously attacked. It has generally been recognized that our commercial prosperity has been erected upon this right of capital. Now let any government commission essay to fix the price of transportation in any instance, and this right of private ownership in property is necessarily denied in that instance. It would be impossible for the commission to fix a single rate without implying the right of the government to limit the return on capital invested in railroads. Gentlemen, to assert that capital invested in railroads shall be deprived of the right to seek the highest profit obtainable on the market is to concede that the profit on all capital, howsoever it may be invested, may be limited at the will of the government. Grant the validity of the principle of government limitation of profits in one branch of industry and you grant it in all, and you cannot escape the conclusion that if you favor government rate-making you abandon the principle of individual freedom and private ownership in capital and align yourselves with the socialists who would confiscate the returns on capital.

I think that every man in this convention will agree with me that the people of this country are today better fed, better clothed, better sheltered and enjoy better facilities for education and recreation than any other nation ever enjoyed in all the history of mankind. I think also that every man here will agree with me when I say that our fundamental principles of government guaranteeing non-interference with the accumulation and investment of capital and the returns on capital, in other words, with the principle that a man has the right to do with his own as he pleases so long as he does not interfere with the equal right of another, is the principal cause for our material prosperity and our present high stage of civilization. Allow me then to earnestly urge upon you the duty of protecting these funda-

mental principles of government. These principles are as sacred today as they ever were in the past, and surely no patriotic citizen is prepared to depart from them except in case of the direst necessity. Now, that these various principles have brought forth such marvelous national wealth, now that all classes of the people are enjoying the fruits of these principles as never before, why in God's name should men seek to undermine and abandon them? Let us think this question over thoroughly like men who value their country's welfare above all else—let us, I urge, be conservative and cautious in the face of this radical proposition for governmental rate-making. Surely on its face there is ample reason to regard this proposition with suspicion and distrust.

But, say the advocates of this socialistic scheme, the railroads are quasi-public institutions, and must be regarded in a different light from other industries. I grant that because of their semi-public character there should be rigid provisions of law compelling them to deal impartially with the general public, but because this is true it does not necessarily follow that the capital invested in them should be limited as to its profits. Under the principle of non-interference by government with prices of transportation the railroads of this country have undergone a marvelous development until today we proudly point to the greatest system of railroads in all the world. Today we have two hundred thousand miles of trackage and a capital of eleven billions invested in these railroads. So far, therefore, as the development of the railroads is concerned, the principle of non-interference by government in the making of rates has had a wonderful effect in encouraging the investment of capital in these highways. Establish the principle of government rate-making, and I am here to assert that you will immediately put an end to the rapid development in the railroad world, for capital is timid and will not seek investment where there is reason to believe its right to profits will be denied or restricted.

Again, under the principle of non-interference by government in rate-making the efficiency of the service rendered by the railroads has undergone exceedingly rapid advancement and to those who declare that the railroads of this country have been completed, I wish to say that this very year millions and millions of new capital is being invested in equipment and betterments as well as in the extension of mileage. Do you want to put a serious check on this betterment of the service of the roads? If you do, then launch the government in the rate-making business, and you will succeed most admirably.

Again, under the principle of non-interference by the government in rate-making the rates themselves have steadily declined, except for slight reactions, for the last fifty years. Now I touch upon oft-repeated claims that rates are unreasonable in themselves. I am quite aware that those who advocate government rate-making have at their fingers' ends a vast array of statistics to prove their contention, but I have examined these statistics and compared them carefully with the statistics offered in their reputation, and for one I want to say here and now that I have rarely seen more expert juggling with figures

than has been performed by some of the advocates of this government rate-making movement. In this connection I wish to make the declaration that before this convention adopts a resolution in favor of government rate-making it ought in the name of fairness and sincerity appoint a disinterested commission of experts to arrive at the truth regarding the conflicting statistics offered in this controversy. As for myself, I believe that the rate per ton per mile is the best gauge of railroad rates that available statistics offer, and this rate has steadily declined until the last few years, when it has had a slight rise—a rise, however, that has hardly kept abreast with general upturn in prices.

From a broad consideration of the returns on capital it is to be logically inferred that capital invested in railroads cannot secure a higher profit, generally speaking, than capital invested in other industries. Capital seeks investment where the profits are highest in proportion to the risk involved, and this tendency brings about in the long run a general average of profits in all directions. The average percentage of profit has steadily declined in the last half century, and capital invested in railroads has no more escaped than capital invested elsewhere. In fact, because of much of the capital in railroads being invested without hope of immediate dividends the percentage of profit on the eleven billions of railroad capital is less than five per cent, whereas the percentage in manufacturing and agriculture is much higher. Now, capital does not fix its own profits, but must take what the market affords, and I here assert that capital invested in railroads cannot fix its own profits, but must take what the market affords. So long as capital increases in amount in this country there is absolutely no chance for the arbitrary advancement of freight rates by the railroads, no matter how few may become the men in control of the roads. Every additional dollar invested in railroad property must tend to reduce rates. Every line of railroad, no matter who controls it, must constantly seek to develop its tonnage to its maximum carrying capacity, and to do this it is from time to time compelled to reduce rates. Observe the continual struggle of the different lines of roads to obtain business, and you must immediately come to the conclusion that competition is not dead in the railroad world. In the very nature of things it is impossible to destroy this competition except by government intervention, for no owners of a railroad are going to cease making that road do all the business it can, and if a less rate will bring a higher tonnage with higher net profits, then the rate will be reduced. If a number of railroads in a given section of territory agree not to cut each others' throats, these roads are still forced to reduce rates to develop tonnage and also to enable the products they carry to compete in the great markets with like products brought from other sections of the country. Of course, the carriers charge all the traffic will bear just as truly as a manufacturer of shoes charges for his product all that the market will give him. It is this self-interest, this reaching out for the highest profit that is the foundation rock of our great commercial prosperity, and the competition to secure the highest profit is what brings down prices on all commodities, including even the

prices on the commodity of transportation. Looking at the facts presented by statistics, we find that this argument is amply demonstrated as correct, for the freight rates in this country are generally acknowledged to be the lowest in the world. In this connection I want to call attention to the claim frequently made by the advocates of government rate-making that the railroads are levying a frightful tax on the country amounting annually to millions of dollars. The use of the word tax in this manner is enough in itself to stigmatize the proposition as one of the vagaries of the populistic trend of mind. As well accuse the teamster of levying a tax on the public when he charges for hauling a load of merchandise to the freight depot, and incidentally, I may say that this teamster tax is in many cases greater for carrying the goods one mile than that of the railroads for carrying the same goods a thousand miles. I also wish to make the observation here that the railroads are not owned by a few individuals and that as a matter of fact the people through the savings banks, insurance companies, own a very respectable percentage of the eleven billions of railroad capital.

Summing up the points I have just made, I now wish to ask a question, why the shippers of this country should wish the government to embark in the rate-making business when, under the system of non-interference by the government in rate-making, there have been developed the greatest railway system in the world with the lowest freight rates in the world and the highest efficiency of service in the world, the whole country considered? If the non-interference by the government in rate-making has borne such excellent proof in the last fifty years, why now the necessity of departing from it? Is it not naturally to be supposed that the same development and betterment of the railroads under the policy of non-interference in the past may be confidently expected in the future from the continuation of the same policy of non-interference? Anyone who would attempt to prove otherwise has indeed a monumental task, and I urge upon every man in this gathering to examine with the utmost scrutiny the claims and arguments of those who believe in now reversing the policy which has stood the country so well in hand in the past.

I have made this address longer than I intended, else I would here take up the evils that may justly be apprehended from the government going into the rate-making business. Imagine for one moment, if you please, the spectacle of rates being made by political commission, swayed as it necessarily must be by the strongest political clamor. Every section of this great country that is weaker in population and wealth than some other section has good cause to fear the results of such a system of rate-making. So also has the whole country to fear the driving of capital from the railroad field, the fixing of inflexible rates, the deterioration in railway service, and eventually a general increase instead of a decrease in rates. Where the risk is greater capital must demand a higher rate of profit, and I believe government rate-making would in the end mean higher general rates and perhaps government ownership.

Again, if you study the subject you are also most sure to ar-

rive at the conclusion that the strife between different localities and between the dealers in different classes of traffic for more favorable rates would tend to the adoption of a uniform rate per ton per mile, and a rate of that kind would inevitably blast the commercial and agricultural development of nearly the entire country. I again urge upon all thinking men in this convention that the possibilities of disaster to be apprehended upon the reversal of the policy of the government in regarding the making of rates are so serious as to call for the utmost caution and conservatism in handling this question. And I confidently believe that all fair-minded men, if they give due study to this question, will come to the conclusion that the power to make rates should continue to lodge where it is, and that thereby the general interests of the country will be best subserved, the right of communities to enjoy the advantages of population, wealth and geographical location will be respected, the less developed sections will not be at the mercy of the more powerful sections and rates will, on the whole, gradually decline, while the services rendered by the carriers will develop in efficiency.

In conclusion, I wish to present a resolution which I think will be given due consideration. In this resolution it is recognized that wrongs are sometimes justly to be charged against the carriers and that these wrongs must be righted. But because some evils exist is no reason why we should fly to evils that would prove a thousandfold worse. Let us seek the correction of these evils in the regular way in which we have met other evils in the past. Let us cling tenaciously to the fundamental principles of individual freedom and property rights and not take up with the false god of socialism. Let us apply the police powers of the government and not be so prone to acknowledge that the nation is too weak to grapple in the orthodox way with any evil that may arise. Every corporation as well as individual guilty of unjust treatment of the general public should be punished, but punished not before a hearing in court, but afterwards. This resolution provides for adequate machinery of government upon all grievances against the railroads and in a sane, orderly fashion to mete out punishment expeditiously where punishment is merited. What more can be asked unless, forsooth, it is desired to ignore the rights of capital invested in railroads and to rush into the arms of confiscation and socialism? Here is the resolution:

MR. PARRY: Here, gentlemen, are the resolutions I wish to submit. As I anticipate a large majority of you gentlemen have received copies of these resolutions, if it meets with your approval I will not read them, but submit them without reading. Do you take it by consent, gentlemen? (Applause.)

AS TO RAILWAY RATES: AN EQUITABLE, REASONABLE AND DESIRABLE SOLUTION OF THE VEXED QUESTION—A TENTATIVE RESOLUTION BEARING UPON THE SUBJECT SUGGESTED BY D. M. PARRY, PRESIDENT OF THE NATIONAL ASSOCIATION OF MANUFACTURERS.

To Manufacturers and Shippers:

The coming congress will be called upon to settle the mo-

mentous question of railroad rate legislation. Shall the government, through a political commission, be given the arbitrary power to fix rates, or shall the question of a disputed rate be taken up in a sane, orderly manner and disposed of according to the fundamental laws of the country? This is the main point in the present controversy regarding rate legislation. How do the shippers stand upon it? Do they want to go on record as favoring the orthodox way of meeting abuses and wrongs by the application of the police powers of the government or do they wish to stand before the country as favoring the commencement of a career of socialism, absolutism and paternalistic meddling with property rights?

Every argument that can be advanced in favor of the government going into the business of fixing the prices of transportation can be urged with equal force in favor of the government going into the business of fixing the prices on commodities other than that of transportation. I cannot see how the shippers of this country can consistently favor government rate making when they themselves would not favor government fixing of prices for their own products. Again, it is impossible for the government, through a commission, to fix a single rate without thereby implying the right of the government to limit the returns on capital invested in railroad property; and to establish the precedent that the government may set a limit on the returns on capital invested in any industry whatever is certainly a most radical and dangerous innovation of our government. While every shipper in the country is interested in receiving impartial treatment from the railroads, yet in endeavoring to secure this impartial treatment it would be, to my mind, a grave error for them to lend themselves to such a populist proposition as this of government rate making.

I am no advocate of railroad might, but there is a vital principle at stake in the government rate making proposition, and I would earnestly urge conservative and cautious action regarding it. I wish to assert after having given the matter careful consideration, I am convinced that if the government embarks in the business of rate making, the result will be disastrous upon the railways and upon the business interests of the entire country. Every section of the country that is not as well populated or as wealthy as some other section has good grounds to fear the results of rate making by a political commission, which must necessarily be swayed by the strongest political clamor, and I have no doubt that eventually there would be a general increase in rates instead of the expected decrease, that the service performed by the carriers would become deteriorated, that the tendency would be to establish a uniform rate per ton per mile, involving a serious injury to industries everywhere by prescribing within narrow limits the territory they could with profit supply with their products, and that the dangerous proposition of government ownership would in the end be given great impetus in the minds of the people.

I have prepared a resolution containing recommendations to Congress which I believe to be fair and just, and which, if carried out, would adequately meet every evil that now exists. This resolution follows; and I hope you will give it your earnest con-

sideration, and if you are against making a start towards socialism in this country, I also hope you will do all you can toward making this or some similar resolution the expression of the views of the shippers of this country upon this momentous question.

Faithfully yours,

D. M. PARRY.

### RESOLUTION.

Whereas, We are heartily in accord with the declaration of the President of the United States that the highways of commerce in the United States should be open to all upon equal terms, and that there should be adequate laws to prevent and punish discrimination in the tolls levied by the common carriers of the United States in favor of or against competing communities, or individuals; and

Whereas, The government should exercise supervision over tariffs of the carriers of freight, both by water and by rail, to the end that no discrimination or extortion shall be permitted, or if practiced, shall be punished; yet we believe that this supervision should be exercised in a decent, orderly manner, and no attempt should be made to deal with the carriers except in the highest spirit of equity, recognizing that the right to levy reasonable and equitable tolls is their most valuable asset, and that no onerous burdens should be placed upon them without giving them their day in court.

Whereas, The Interstate Commerce Commission, during its history, by methods of conciliation and adjustment, has settled, upon terms satisfactory to all the interests involved, more than 90 per cent of the complaints lodged with it; and

Whereas, It is our earnest belief that it would be injurious to the best interests of the shipping community to endow the Interstate Commerce Commission with authority to initiate rates, or to substitute a new rate for a rate that has been challenged for the reason that the fabric of the railway tariffs on the commodities that are transported in large volume over wide areas are so interwoven and interrelated that the changing of one rate may arbitrarily force the changing of thousands of other rates, which would produce confusion in the relation of competing areas to each other, and would work hardship and loss upon shippers and carrying companies. Now, therefore, be it

*Resolved*, That we respectfully petition the President and the Congress of the United States that the following resolution be given careful consideration to the end desired, that the relations of the commercial shippers and carriers may be placed upon an enduring basis, and removed from the realm of party politics, as the agitation of these questions disturbs the business and prosperity of the country, and may eventually lead to government ownership of the means of transportation, which we regard as the greatest evil which could be for the country.

*Resolved*, That the Congress of the United States is respectfully petitioned to enact laws creating a Bureau of Interstate Transportation which shall be adjunctive to the Department of Commerce and Labor, and subordinate to the Secretary thereof, to be in charge of a commission who shall be skilled in the affairs of Commerce as related to the transportation of commodities.



*Resolved*, That the Commissioner of Interstate Transportation shall have as many assistants, who shall be skilled in the art of transportation, as shall be necessary to receive and promptly investigate any and all complaints presented by shippers setting forth any matter of extortion, in equity or discrimination or any infringement of any existing law, or any future law, by any shipper or carrier.

The Bureau of Interstate Transportation to be charged with the duty of adjusting or prosecuting all complaints of discrimination, unjust rates, and unfair practices of every description by the carriers, and when it is found impossible to informally adjust the differences between the complainant and the parties complained of, then to prosecute the complaint before a special Court of Transportation which shall be created by Congress, and judges of which shall be required to devote their entire time to the adjudication of such differences.

The judges of the Court of Transportation shall sit together in Washington and separately in the large cities throughout the country, so that complaints may be acted upon with the least possible delay.

The Bureau of Interstate Transportation shall act for the complaining shipper, and prosecute the case at the expense of the Government, under the direction of the Attorney-General of the United States, thus relieving the shipper of the expense of conducting litigation, and if the decision of the Court is adverse to the railroads reasonable damages shall be awarded the shipper to reimburse him for the injuries sustained.

The only appeal from the Transportation Court will lie in the Supreme Court of the United States, and then solely upon questions of law.

That in order to facilitate the business of the Bureau of Interstate Transportation and of the public with the carrier, the carrier shall be authorized by law to establish Traffic Associations or Conference Committees in order that the Carrier Companies may be dealt with in masses to save the delay that will ensue from separate negotiations with each company.

CHAIRMAN McLEOD: The Chair desires to announce the finance committee which should be provided for by naming William Irvine, Minnesota, chairman; A. P. Burchfield, Pennsylvania; J. Kirby, Jr., Ohio; H. S. Rand, Burlington, Iowa; J. W. Van Cleave, St. Louis. What is your further pleasure, gentlemen?

MR. PLATT: Do I understand the ruling to be that resolutions may be presented at any time other business is not before the convention,

CHAIRMAN McLEOD: Resolutions may be presented at any time up to the time of the report of the resolutions committee.

MR. PLATT: Then I have a brief resolution which I desire to offer as follows:

#### RESOLUTION OF JOHN I. PLATT, POUGHKEEPSIE, N. Y.

Whereas, the power to fix rates and regulations for the transportation of freight is a power so broad that it can only be justly exercised under full consideration of all parties directly or indirectly affected by it, and

Whereas, the volume of internal traffic within the separate States exceeds many times the total of interstate traffic, and its interests are therefore much more important to the welfare of the whole people than those that can be controlled under the constitution by any national authority, therefore,

Resolved, That we protest against conferring upon the Interstate Commerce Commission or any similar body power to fix transportation rates, or establish transportation regulations, unless provision be also made for a full and fair hearing to those who may represent the shorter but vastly greater traffic within the separate States, which, though such body may not directly control certainly should receive great consideration before any final action or decision.

CHAIRMAN McLEOD: Gentlemen, I have been advised that the committee that was appointed to visit the minority meeting has returned and are ready to report:

Mr. John Kirby, Jr., chairman of the committee, then said:

MR. KIRBY: Gentlemen, we sent to the chairman of the minority convention the following note:

"A committee of five from the meeting in Studebaker Hall, representing 460 delegates, desire to make a statement to this convention and request your reply."

Signed by all of the members of the committee.

After waiting perhaps twenty minutes or half an hour, a committee of five waited upon us, saying that they had been appointed a committee to confer with us and receive any communication we might wish to make to the convention in writing. After a short discussion pro and con, we presented to the chairman of that committee the latter part of the resolution, or in other words the part of the resolution under which we were appointed a committee, and he said he would present that to the convention, and that they would give us a reply in the morning. I believe, Mr. Van Cleave, that this is about the gist of it?

MR. VAN CLEAVE: Yes, sir.

CHAIRMAN McLEOD: We will no doubt receive their reply in the morning.

MR. PERRY (Kansas City): In view of the extraordinary conduct of the gentlemen who are holding some sort of a meeting here in Steinway Hall, I want to make a suggestion to this convention. Mr. Bacon has heretofore claimed to represent a great many commercial and business organizations in the United States, and has repeatedly reiterated to the congressional committees, and I have no doubt to the President of the United States, that he represented a united demand from all the organizations named in his literature that the brand of rate legislation now advocated by Mr. Bacon, and to some extent by Mr. Roosevelt, was demanded by practically all the business interests of the United States, and I haven't any doubt that Mr. Roosevelt was misled by this spurious information that was put before him. (Applause.) Mr. Roosevelt has not only said that he believes in a square deal, but I think he intends to give everyone a square deal as far as lies within his power. (Applause.) And if by misrepresentation he has been misled into a belief that there is a popular demand for that sort of legislation that Bacon stands

for, Mr. Roosevelt is just the kind of a man, when satisfied that there is no such demand, and that he has been imposed on, to frankly say so, and I don't intend now to inflict a speech upon you, but I do suggest and make it as a motion that the officers of this convention send a telegram to Mr. Roosevelt, setting forth the conduct of the other people, and how they tried to disfranchise delegates to this convention and suppress an expression of public opinion on the question for which the convention was called, and ask him, Mr. Roosevelt, what he thinks of that for a square deal. (Applause.)

MR. SEIBERT (Reading, Pa.): I second the motion.

MR. DAVENPORT (Connecticut): I never had the pleasure of voting for Theodore Roosevelt, but I believe that Theodore Roosevelt intends to do the best by the people of the United States that lies in his power. (Applause.) I appeal from the misinformed and the uninformed Theodore Roosevelt to the true Theodore Roosevelt when he shall have been enlightened on the subject, and it gives me the greatest pleasure to stand here before you and urge upon you the adoption of the resolution which has been offered.

The President of the United States is of course a very busy man. The present incumbent of that office is, above all other men, intensely active and engaged in all manner of pursuits. Those gentlemen who have been in season and out of season urging this legislation have besieged the President and by every means in their power given him to understand that the shipping interests of this country demand this legislation. Now is the time to convey to him the information that that is not true. (Applause.) Of course reference has been made here to the fact that in some way and for some reason it is not possible to convey to the public the true statement of the facts, because of the course which the press pursues. I hope that when such resolution is adopted, that the telegram will be sufficiently long and sufficiently explicit to convey the real facts to the President, and I have that faith in that man that when that information is conveyed to him it will cause him very largely to change his views upon this subject.

MR. RULOFSON (San Francisco): When we were shut out by force from Steinway Hall this morning, the thought struck me that that was not a Roosevelt "square deal," and I suggested to some gentlemen that we do this very thing, send to President Roosevelt a telegram, that he would not stand for any such thing as that, and I was told by two or more prominent men in this convention that the President was already informed of what they proposed to do, and he had his agent or his representative with us, and that he was fully conversant with everything that transpired; and certainly if that is true—and I don't believe the parties would have spoken so to me unless there was reason to have thus stated it—I don't believe that there is any occasion to send such a telegram. A gentleman approached me at noontime today and asked me if one of the members of the cabinet was here, mentioning him by name—but it occurred to me probably the President had even a member of his cabinet here to advise him in an impartial and uncolored report of the proceedings of both of these conventions. I can't remember who

it was that told me the President has a representative here, but if that is true, the gentlemen who mentioned it should stand up and tell what they know about it.

MR. G. H. ANDERSON (Pittsburg): I would like to call the attention of this body to the fact that the debate going on here is entirely out of order. We passed a resolution early in the morning that all resolutions should go to the committee on resolutions.

CHAIRMAN McLEOD: And the Chair will so rule. The Chair rules that the resolution must go to the committee on resolutions on the gentleman's point of order.

MR. PLATT (New York): A resolution concerning the act of this convention here now suggested was not covered by the former resolution at all, or any parliamentary rule that I have ever heard of.

MR. STEARNS: I would like to say that this is a report of a committee, not a resolution.

CHAIRMAN McLEOD: The Chair begs to differ from the gentlemen.

MR. A. B. MOSS (Idaho): There is no resolution before the house, and this motion, if it is made as a motion, is before the house.

CHAIRMAN McLEOD: You make a point of order that the Chair sustain it as a resolution.

MR. ANDERSON: I was wrong in stating that this was a resolution. It was a report by Mr. Perry that we send a telegram to the President.

MR. A. KRAFT (Michigan): I move that the committee on resolutions report instantan on the motion to send a telegram to President Roosevelt, for the reason that the President leaves New Orleans at half-past six this evening, and will be on sea for four days.

CHAIRMAN McLEOD: Is that motion sustained?

MR. C. P. LANE (Alabama): There is nothing before the house.

CHAIRMAN McLEOD: Unless the gentleman will withdraw the motion the Chair will sustain the point of order.

MR. A. B. MOOS: There is very little difference, that I can see between a motion of this kind and a resolution, and "I move this or that," but in making the point of order and seconding the motion to send a telegram to President Roosevelt, we should act only after careful consideration. The dignity of this body is at stake, and I think the committee should frame a resolution that will reflect honor on this convention and not violate the dignity of the President. I am not sure that we can do it. I think a resolution might be put that the president and the secretary frame a telegram and send to our President, and I think all we have to do is to vote aye on that motion.

MR. THURBER: The gentleman has said that the President will leave New Orleans at half-past six this evening. It is a quarter after five now, and that is a very short time to frame a dignified and comprehensive message, and would leave little opportunity for the President to send us back an answer. I am in doubt as to whether it would not be better to wait until the conclusions of this convention are reached, through its com-

mittee on resolutions, and then address a suitable communication to the President, acquainting him with the action that was taken here, as a sort of a report. I merely throw that out as a suggestion, because I am willing to do anything that the majority think is wise, but at the same time, it seems to me there are those considerations to be thought of.

MR. DIETRICH (Nebraska): I wish to concur with the gentleman from New York. Furthermore, the minority convention held at Steinway Hall may conclude to accept our invitation and join us, and then such a resolution would be out of order.

MR. DETRICK (Pittsburg): Do I understand there is a motion before the house by the gentleman from Alabama?

CHAIRMAN McLEOD: That motion was not seconded.

Several delegates then seconded the motion.

CHAIRMAN McLEOD: Will the gentleman from Alabama state his motion?

MR. KRAFT: I move that the committee take up the resolution instant; if it is not a resolution but a motion, I move that the convention proceed to frame a resolution at once.

CHAIRMAN McLEOD: If you make that resolution the Chair will put it.

MR. KRAFT: I therefore move that the committee on resolutions report on that resolution instant.

MR. J. N. SCATCHERD (Buffalo): I think that any such a question as is now before the house is undignified and improper and should not be sent by us under these conditions. I believe the conditions presented here are far greater than we could ever convey to him by a message ever so long, and if we wish to convey our sentiments to the President of the United States, after we have concluded our meeting, I believe we are strong enough to send a delegation to Washington composed of the requisite number of the members of this association, and if thought wise state to him the conditions. But, gentlemen, I think the people we want to present our deliberations to and the beliefs we have are the members of Congress, not the President of the United States. He doesn't legislate. The Congress and the Senate do that. Nobody believes greater than I do in the fairness of the President of the United States—to call upon him at a moment's notice, under such conditions surrounding him on this journey, to ask him to give expression to such matters as these, whether they are fair or unfair, I don't believe it proper. Therefore I move that we do not send any such telegram.

Motion seconded.

MR. PLATT (New York): Mr. President, I make as a point of order that all this discussion is out of order, and I move that it all be tabled.

MR. MOOS: The motion is not debatable.

CHAIRMAN McLEOD: Are you ready for the question?

(Calls for question.)

The chairman then put the question on the adoption of the resolution to forward a telegram of the character named to the President, which was lost.

CHAIRMAN McLEOD: Now if there is any appeal from the Chair's ruling I will put the question.

MR. PLATT: The point was that this was all out of order.

Upon motion, duly seconded, the meeting adjourned until 9 o'clock a. m. Friday, October 27, 1905.

### FORENOON SESSION.

Friday, 9:30 o'clock a. m. October 27, 1905.

The convention was called to order by Chairman McLeod at 9:30 a. m.

CHAIRMAN McLEOD: I wish to make an announcement with reference to certificates. Mr. Geo. K. Smith will handle the matter and make an announcement so all will understand.

MR. GEO. K. SMITH: All those who have traveled to Chicago and taken their certificates entitling them to one-third fare returning are requested, immediately after adjournment, or if there is time now, all who have them please step up now and turn them in so we can get them in alphabetical order and have them ready for the joint agent to sign. If the convention holds two sessions today we will have as many of them signed as we can and have them ready to go out, at the rear of the house. If the convention adjourns at noon I will be in the back of the hall from 3 to 4 o'clock with all certificates. If I don't have an opportunity to make any other statement, when there are more delegates in the room, if you have any friends who have certificates notify them, and I will be in the back of the hall after adjournment. These certificates will have your names on them, and as I don't know them I shall have them in alphabetical order when you come for them and I will give them to you with as much dispatch as possible.

CHAIRMAN McLEOD: Gentlemen, we have not yet heard from the Resolutions Committee. Last night they expected to have their report ready about 9:30. If you desire to be at ease until the Resolutions Committee reports we will so order, or if you care to take up the business now we will proceed.

MR. F. A. HOBBS (Benton Harbor, Mich.): It occurs to me that possibly some of the resolutions read yesterday or the general tendency of them might have been construed differently from the intentions of the gentlemen who came here. There is no doubt we came here to attend the Interstate Commerce Law Convention, so-called, but we wish to have a reasonable amount of free speech. It doesn't seem to me that we should place ourselves in a position where we say no rate legislation is necessary simply because we have separated ourselves from the other body or they have separated themselves from us.

I would therefore with the view of correcting this tendency on the part of the resolutions heretofore offered like to submit the following:

"Whereas, abuses in the transportation business have arisen of sufficient magnitude to make the consideration of the question one of the most important before the people, and

"Whereas, it appears to this convention that the abuses referred to consist largely of inequalities in rates affecting local industries, also of an apparent desire on the part of the railroads to exceed their charter rights and engage in business foreign to the real objects of their existence—by this we mean the mer-

chandising of commodities by the railroads and also the paternal care which they seem inclined to exercise over our legislatures;

"Therefore be it resolved, that it is the sense of this body that the railway corporations should be kept strictly within their chartered rights, that no buying and selling of commodities be tolerated and that they be discouraged or prohibited from placing congressmen or members of the legislature on their payroll.

"Be it further resolved that Congress be urged to pass such laws as in its wisdom will correct abuses in rates wherever such abuses may exist.

(Submitted by Fred A. Hobbs, vice-president Michigan & Indiana Retail Coal Association, Benton Harbor, Mich.)

MR. MEAD (representing the Merchants' Association of New York): Mr. Chairman, owing to the fact that during the day yesterday as a delegate representing the Merchants' Association of New York, I was in rather a delicate position owing to the fact that the question of whether or not I should be accepted as a delegate in the other convention—whether I should or should not be accepted as a delegate in the other convention was still pending. This morning, however, I am pleased to speak on this floor as I have declined the appointment or the acceptance to the other convention because of the fact that the organization which I represent is in favor of free and open discussion of all questions which are of great interest to the country, but it is not because of the fact that the organization which I represent is opposed to what they consider to be proper legislation on this subject.

In order that the attitude of this organization which I represent may be clearly shown, I desire to present a series of preambles and resolutions wherein the name of the association is taken out and this convention is inserted, defines our position upon this question.

In this connection I might say that the organization which I represent has defined its attitude upon the preambles and resolutions, and cannot of course, sir, be bound by any action of this body.

My purpose in being here is more a protest in favor of free and open discussion.

The preambles and resolutions are as follows:

#### RESOLUTIONS OFFERED BY S. C. MEAD, DELEGATE REPRESENTING THE MERCHANTS' ASSOCIATION OF NEW YORK.

Whereas, President Roosevelt, in his last annual message to Congress, referred in the following language to the subject of increasing the powers of the Interstate Commerce Commission:

"The Interstate Commerce Commission should be vested with the power, where a rate has been challenged and after full hearing found to be unreasonable, to decide, subject to judicial review, what shall be a reasonable rate to take its place; the ruling of the commission to take effect immediately and to obtain unless it is reversed;" and

Whereas, in conformity with this recommendation on the part of the President, there was formed and introduced into the last session of Congress H. R. Bill 18,588, entitled "A Bill to Supple-

ment and Amend the Act Entitled 'An Act to Regulate Commerce, approved February 4th, 1887,' known as the Esch-Townsend Bill; and,

Whereas, In the opinion of this convention this subject is one of great importance both to the commercial interests of the country and to the vast financial interests having investments in railroad properties and is a subject, therefore, in which the rights of all parties concerned should be carefully guarded; and,

Whereas, The so-called Esch-Townsend Bill provides that the order of the Interstate Commerce Commission filing a rate, after full notice and hearing to all parties concerned, shall become operative and obtain until final adjudication upon any appeal that may be taken; and,

Whereas, In the opinion of this convention the proposed legislation should incorporate a provision giving power to the Courts to grant a stay of the order of the Interstate Commerce Commission pending the appeal only when it is shown to the satisfaction of the court that the operation of the order of the Interstate Commerce Commission pending the appeal would cause undue or irreparable hardship to any of the parties interested; now, therefore, be it

*Resolved*, by this convention, That the so-called Esch-Townsend Bill should be amended by inserting a provision to the effect that no stay whatever shall be granted in any appeal from the order of the Interstate Commerce Commission unless the court shall be satisfied that undue or irreparable injury will be done to any interested party by the operation of the order of the Interstate Commerce Commission pending the determination of the appeal and further providing that the court may impose such conditions of granting any such stay as in its discretion it may deem wise; be it further

*Resolved*, That with such amendment this convention hereby approves the general principles and objects of the Esch-Townsend Bill as introduced at the last session of Congress.

These preambles and resolutions, sir, were the action of the members of the association which I represent. The membership is made up of over one thousand of the leading business houses in New York City. The percentage of the membership acting upon the resolution was as follows: 80 per cent were in favor of this resolution, 10 per cent were in favor of the Esch-Townsend Bill, as introduced in the last session of Congress, and 10 per cent were against any action to amend the interstate commerce law as it exists today. (Applause.)

MR. FREEMAN (of Pontiac, Ill.): Free speech being the motto of this convention, and as I take it, its purpose being the open discussion of required or essential railroad regulation, I submit my views, abbreviated as much as possible.

I received a commission to appear here from my State government—not because of politics, but because I had the reputation of being somewhat familiar with the Interstate Commerce Act, with freight tariffs and classifications, and with railroad abuse of rightful and legal privileges. I come as a representative small shipper, a class that, taken as a whole, ship more



goods and are more interested in fair and equal treatment of all by the carriers than are the large corporations, who have more influence and better facilities to care for themselves. Personally, I am not in favor of government rate regulation, because I can hardly conceive a body of uninterested men capable of making rates and doing justice to the public and the carrier.

In further legislation, what assurance have we that it would do any good, and do we require it? The rate charged by the carrier largely regulates itself and will continue to do so until further consolidation of lines into a few hands, but the abuse of power of and by the carrier, whether because he has educated himself to think that his interests only should be considered are from pure selfishness and love of power, has become almost unbearable to a supposedly free people.

We send to Congress our brightest minds, largely composed of the best legal talent; they enact our laws. Great pains were taken with the original Interstate Commerce Act, but the public were but temporarily benefited; repeated legislation has only made matters so much worse. The Sherman law did not help the situation. The Elkins Bill, utterly useless. Now, under the same conditions, what is the good of further laws, except to benefit the lawyer by befuddling the public? Why not give the present law a good test? It has never had it yet. Just as soon as a competent attorney becomes somewhat acquainted with railroad law, he is retained by the big corporations who are getting the benefit of railroad favoritism or by the railroad themselves, and the public continue to flounder in the same old helpless way. The instant that conditions do not suit you, you begin to carry more legislation, more laws, when instead of wanting more law, it is the man or power behind the law that you require. I think it is Governor Folk of Missouri who tells us that "A poor law with a good man behind it is far better than a good law and a poor man behind it."

Principal parts of the Interstate Commerce Act were the long and short haul clause and its joint responsibility of the joint-carrier feature.

I claim that from the time of appointment of the first commission until now that the commission has been a railroad's commission. It is notorious that they were appointed through railroad influence. Judge Cooley doubtless was an honorable man, but he was a very old man, and had been a railroad attorney for so many years that he had become biased in favor of the carrier and could not be just and partial. I will not comment on other members for fear of saying more than I intend. Our Interstate Act was copied from the English law, which immediately after its commitment was tested on the joint responsibility feature, and joint responsibility found. But while the wording of our law is the same, our brilliant commission have studiously avoided a ruling on this point for eighteen years.

Why does our Supreme Court overturn findings of the commission? Because findings have been lame, I think purposely. With the real features of the act properly presented before an impartial tribunal, I think you would find little further legis-

lation required. We need an impartial, competent and honest commission; not a commission who have even decided point-blank contrary to the wording of the law, in the interest of the carrier. I cannot believe that the same wording means one thing on one side of the water and the contrary on the other.

I would like to show up where and how a proper and correct finding of the law as it stands would materially alter present conditions, but time forbids.

The most of our troubles with the carriers are through fault of our own. We go sneaking around, begging favors, and so forth, teaching them that they own the earth and us. (Applause.) How many of you, when presenting claims, refuse to give up your vouchers?

Is not further legislation useless unless you alter conditions, and if you alter conditions, do you require further legislation?

I may add that this railroad's commission, on the plea that it was impossible to secure testimony while criminal liability of the carrier existed, recommended and succeeded in having, through the Elkins Bill, that clause of the Interstate Act annulled. They have also recommended and recommended because pooling is bound to exist anyway, that pooling be legalized. This must be on a theory that as thievery cannot be stopped, it should be legalized.

MR. RULOFSON (San Francisco) offered the following resolution:

Whereas, When Congress created the Interstate Commerce Commission and determined that it was to consist of five members, it was admittedly their intention that one member should be appointed to each of the five great geographical subdivisions of the United States; and

Whereas, The failure of the Western and Pacific Coast States to recommend to the President a commissioner representing the vast commercial interests of the Western and Pacific Coast States, they failed to get representation on the commission; and

Whereas, Ever since the creation of the Interstate Commerce Commission neither the Western nor the Pacific Coast States have been represented on the said commission; and

Whereas, The entirely dissimilar conditions of the States and Territories west of the Missouri and Mississippi Rivers should be protected by representation on the Interstate Commerce Commission; and

Whereas, The commission as constituted at the present time, consists of five members, representing the Atlantic Seaboard, the Southern, Middle and Middle Western States; and

Whereas, These vast commercial interests would undoubtedly object to surrendering even one member of the commission to the Western and Pacific States and Territories; and

Whereas, The business of the present commission far exceeds their ability to handle it with a reasonable degree of promptness; therefore be it

*Resolved*, That in the opinion of this convention that for the purpose of expediting the hearing of cases, that the commis-

sion should be increased to seven members; and be it further  
*Resolved*, That the two additional members should be appointed, one from the Western States, west of the Mississippi and Missouri Rivers, and the other from the Pacific Coast States; and be it further

*Resolved*, That a copy of these resolutions be sent to the President of the United States, respectfully requesting his careful consideration of these conditions and the claims of said States and Territories for representation on the commission.

MR. COCHRANE (of Virginia): I am one of the appointees to this convention by the Governor of the State of Virginia, and I have exercised some little convention hiatiara by declining to be a participant in a convention where I would be received with all the course and effect and with the right to participate in the meeting and a right to vote on the questions and have linked my fortunes with you gentlemen (applause), who will allow me the privilege of the floor, with the right to offer resolutions, but do not allow me the right to vote. I am very content, and I think that the action of your body was a wise and proper one, because so far as I can see the purposes of having the appointments made by the respective Governors of the States seems to have been for the purpose of controlling this convention in a manner that was not originally contemplated (applause). I want to say, however, that, as representing the good old State of Virginia, we are used to free speech (cries of good), and that any cause that cannot stand in the light of a discussion is a cause that will hardly merit the support of American citizens (cries of right). Therefore, quite a number of resolutions that have been offered here take up different phases of the situation, and it seems to me that a resolution should be before this body to be acted upon hereafter, if necessary, defining our position before the world under the contingency of these gentlemen still claiming that they are the convention. We deny that fact, but if they still claim them to be the convention, it seems to me that a resolution should be passed by this body defining the circumstances under which this convention was convened, and on these lines I prepared a set of resolutions which, if you will indulge me for a moment, I will read:

#### RESOLUTION BY THE REPRESENTATIVE OF THE SIXTH CONGRESSIONAL DISTRICT OF VIRGINIA.

Whereas, A call has heretofore been issued by E. P. Bacon, chairman of the Executive Committee of the Interstate Commerce Law Convention, requesting a convention of delegates representing various trade, industrial and producing interests of the country as well as representatives from the various Congressional districts of the United States, to assemble in the city of Chicago on the 26th day of October, 1905; and

Whereas, Large numbers of representatives to said convention duly accredited by their respective trade organizations and the executives of their respective States presented their credentials to said meeting and were refused admittance to their deliberations until and upon the condition that each

should sign a pledge committing himself to certain proposed policies and resolutions which it was contemplated should be the subject for the consideration of said convention; and

Whereas, Said delegates being of the sincere and abiding conviction that no such pledge could properly be exacted from them as a condition precedent to their admission to the convention to which they had been duly accredited, declined to accept the conditions and earnestly protested against this unwarranted and unprecedented action on the part of the executive officers of said association, and for the purpose of making said protest effective have organized themselves into an orderly meeting of duly accredited delegates to said convention, and do now resolve:

1. That the action of said executive committee of the Interstate Commerce Association in refusing to admit to the convention this day assembled in Steinway Hall those members of the convention who have declined to sign a pledge binding themselves before discussion and conference upon questions that could only be properly solved after discussion and conference, is not justified by any law of precedent or propriety, and we denounce this action as a rank insult by said committee of unwarrantable authority, whereby our respective constituencies have been deprived of representation in a convention by which those memberships is in part made possible.

2. That ——— delegates, representing ——— individual organizations, now in meeting duly assembled at Studebaker Hall, Chicago, do now most earnestly represent to the Congress of the United States that any action which may be taken by the so-called convention of the Interstate Law Convention now in session shall not be deemed representative of the views of the trade, industrial and producing interests of this country, and in view of its restricted and conditional membership that its resolution be accepted as the views only of the gentlemen participating therein.

LUCIAN H. COCKE,  
JOSEPH L. KELLY,  
Virginia.

MR. C. B. HAYES (Kansas City): Mr. Chairman, I had intended to introduce a motion along the same lines and covering the same ideas expressed by the member from Virginia. My reason for putting them in the form of a motion was that it would be open to discussion. The idea I had in mind was that owing to the unfortunate misunderstanding on the part of members as to the representation and intention of this convention, the public will undoubtedly be kept in ignorance as to what we are trying to do, as to what we have done and to who we are and what we are. My intention was to offer a motion that the resolutions committee be instructed to prepare an address to the American people, telling them how this convention came into being, what it had done, what it stood for, and explaining the objects and scope of this convention; that that address be officially tendered to the Associated Press, so that the public at large will understand exactly what we want them to understand as to what we are trying to do, and that after reciting all that,

that the individual names of every delegate in this convention be added to the address, and in addition to that the Associations that we represent. Mr. Chairman, I put that in the form of a motion:

That the resolutions committee, after they have offered to this body the regular resolutions, be instructed to prepare an address to the American people, which they will turn over to the Associated Press for distribution throughout the country.

CHAIRMAN McLEOD: Is the motion supported?

The motion was seconded.

CHAIRMAN McLEOD: Will you please discuss the question;

MR. E. J. DETRICK (Pittsburg, Pa.): Mr. Chairman, following the gentleman's remarks, I think it is in order for me to make a declaration in this hall. I have read the morning papers and it seems to me they are endeavoring to create a false impression in the public's mind, that this convention represents the railroad interests and large corporate interests. I want to state that I am not representing any such interests as that. I am here in behalf of my constituents, who, I might say, are 1,200 contractors in the city of Pittsburg, and as secretary of the Pennsylvania State Association of Builders' Exchanges, I represent four thousand contractors in the State of Pennsylvania. I came here uninstructed; I was turned down at the other convention because, as has been stated here, I would not sign a paper, signing my rights away. I represent American citizens, retail shippers. I am not here representing any schemes or to represent any resolutions of schemes, but I represent the retail shippers of Pennsylvania, and I think it is in order and the proper thing that under this motion I make this declaration, and I hope there may be some other declarations of this kind so that they may be publicly known and that it may be known that this convention represents American citizens.

MR. S. C. MEAD (New York): I wish to echo, on behalf of my Association, all that the gentleman has said. It is hardly worth the while for self-respecting representatives of self-respecting organizations to deny what is said about the character of those organizations. In regard to the motion that has been made it seems to me there must be a very wide divergency of opinion on the main question involved in this convention, namely, what, if anything, should be done in relation to the Interstate Commerce Law. It would seem to me it would be better that a motion of this sort should be entertained after the address has been prepared and presented to the delegates here assembled, because it may be that the members representing the different organizations may not feel the same or represent the same attitude on the main questions involved. Therefore, I think it would more properly come before the convention after the form of the address has been presented.

MR. THURBER (New York): It seems to me that the resolutions offered by the gentleman from Virginia and which have been referred to the Committee on Resolutions furnish an admirable basis for such a statement, and I have no doubt that Committee on Resolutions will echo the thoughts so well expressed in those resolutions, and I agree entirely with the gentleman from Kansas that there should be attached to those res-

olutions or to the statement which the Committee on Resolutions will present the names of every organization represented in this convention.

They have given the names of 456 delegates, but that is not indicative of the industries that these delegates represent, and it is very important it seems to me that we go before the country, that we go before the Associated Press if you please, to show that this is not a railroad convention; that this is a convention of shippers of the United States representing greater industries of the United States, that is a greater amount of actual business, ten to one, than the so-called regular convention which has been in session.

CHAIRMAN McLEOD: The Chair will make the announcement that the roster of this convention will show the names of the delegates, the organization he represents and the place, and that will be compiled and we are proud of it. That is being compiled now, and will be available for any purpose for which the convention desires to use it.

The question was called for.

CHAIRMAN McLEOD: The question has been called for. Those in favor of the motion as stated will signify by saying "Aye." Contrary "No." Motion prevails and it is so ordered.

CHARLES P. LANE (Alabama): I want to make a suggestion which I think will aid us in our deliberations. I know that most gentlemen engaged in the art of commerce and trade feel a certain pride in the conditions surrounding them. They are the most useful men in the world, but it is a fact that those men are not often learned in the law or in the art of law-making. Hence we should know where we are drifting and what we are doing. I want the ship guided carefully, so that we will not seek any legal improbabilities and will not make ourselves ridiculous before the world by asking what cannot be given.

I am not a railroad attorney and I never was in the employ of a railroad. I came here and paid my transportation and I have my ticket, but I want to say, Mr. President, that our present Interstate Railroad Commission is a statutory creation, created by the statutes of the United States, and does not pertain to the constitution of the United States, is not a part of it, but there are four great component parts, the Executive, the Judicial and the Commercial.

Now we are asking or contemplate asking that a more stringent power be granted to some body to regulate and to control railroads. Now as we lawyers would say, Mr. President, we would ask this question in our pleadings, this simple, intelligent statement in the cause of action, first—what is your grievance, and second—what is your remedy.

Well, I cannot contemplate any cause for grievance, but I do certainly apprehend, Mr. President, that there is a scarcity in the great legal remedies of the United States of a remedy other than that which has already created a statutory creation and commission, just what you have.

Now, Mr. President, under the constitution of the United States, it is impossible to go to that railroad or Interstate Railroad Commission and give it power to execute its demands

by the mandamus. That remedy pertains strictly to the judiciary, a great potent part of our government, the great regulator of our government. It is the constitutional government, the judiciary.

While it is legally possible for the Congress of the United States to pass a great freight rate, you might call it regulating the Interstate Commerce of the United States from Canada to the Gulf, that is a legal possibility. But sir, the only question, the only tribunal that could put into execution the law thus created would be found in the judicial power of the United States. We would have to go to Congress and not to any commission. And whenever, Mr. President, as a thoughtful and intelligent body of men we come before the people of the United States and say we want a law, we must bear in mind we are making a suggestion which in its practical application is simply a tremendous proposition, when we want a law from Congress that will spread over the vast domain of the United States, bearing equitably and justly upon the empty cars and loaded cars, upon the hill and the hard pulls and the valleys and the plains, we ask for a blanket measure that I think beyond the comprehension of the intelligence of the railway. (Applause.)

Mr. President, I think if we would call a congress of all the traffic managers of the United States and give them six months time that they could not agree upon a measure, upon a blanket law, stretching it all over our broad domain that would be in any particular fair and just, alike to all.

Now let us bear in mind in this broad domain of ours we have State government, separate, distinct democracies, each of which is regulated and controlled—each of which regulates and controls our local traffic, each has statutory power and authority to regulate the local freight.

We are having a great struggle down in our State today and I will tell you a singular thing. I heard one of our prominent men, a prominent rate agitator, remark that he prayed to God that Alabama might have the Georgia freight rates. I went across the line the other day into Georgia and I heard a man remark over there that he was praying to God that Georgia might have Alabama freight rates. (Applause.)

Now there is a cry of the demagogue—and this, gentlemen, is the day of the demagogue—and we the thoughtful and intelligent business men must stop and listen and think carefully lest we allow the demagogue and the socialist to run riot over us and our homes. (Applause.)

Now to come back, as I say, Mr. President, it is embarrassing for me to appear before this able body of men, but to come back to the legal phase of the case, it would humiliate me to go back to Alabama, to all of these people, this vast body of men—I am saying nothing against them, the railroad men, and really I do not think we ought to know they are in existence. (Applause.)

But this body of men have asked of the government a legal impossibility. Now, gentlemen, let me tell you as a lawyer, if you institute, if you ask for a great statute, and it is bound to be instituted, that will spread over the length and breadth of

the United States covering all this union, not one State only—it is not instituted for Illinois only or for Indiana only or for New York, but one great statute. You ask for an amendment of the constitution of the United States which will create a separate interstate railroad board, because it cannot be given to you without an amendment to the constitution, unless, gentlemen, “you take your luck,” as the boy says at the mill, and go to the Supreme Court of the United States with your grievance in that way, and in the regular lawsuits try for damages or for something else, and let that tribunal on its regular docket hear and determine the merits of your case.

Now that will be a pretty slow process. It is true that we have a great many district courts throughout the United States, but I know, gentlemen, they are so slow that it is almost impossible to do anything with them, and I find there is growing out of these matters a feeling, because it seems to me that every man that has stubbed his toe on a rail or on a cross tie has a complaint against a railroad corporation.

I want to say to you, gentlemen, that down in Alabama about twenty-five years ago, when I was a boy, that we were as poor as people could be. We had nothing, but that northern capital came to our rescue and built us our railroads (Applause), and these railroads, gentlemen, developed us from a poor, barren, stretch of country, reaching from Decatur, Alabama, to Birmingham, to the iron regions, that was a waste, worth 25 cents to a dollar an acre. The railroads came from the East and West, and Birmingham sprang up as by magic, and the railroads made Alabama a prosperous, civilized and a happy people. And it was northern capital that did it. And, gentlemen, I am going to bare my broad chest and raise my brawny arm in defense of a great agency that made Alabama great, and it was the capital that you sent from your country to ours to assist us that built up our country. (Applause.) Mr. President, we have in Alabama not a feeling of envy and unkindness, save among the demagogues, and you hear a man in Alabama raise his hand against the railroads and you say right there and then that man has a bee in his bonnet to be a candidate for office.

Now I trust, Mr. President, we will proceed intelligently, and I trust we will proceed thoughtfully, and proceed legally; that we will show that we are not demagogues or socialists, but that we are authorized representatives, and thoughtful and patriotic citizens of the government of the United States. We are here to reach a conservative and intelligent solution of the proposition or else, Mr. President, to simply say that our meeting shall be but a form. We were called by a special invitation to meet that conference convention at Steinway Hall, and after having been invited there were met at the door by policemen’s billies. That is the situation. I was met in that manner, and I have come here to join you and to be with you, and I trust that when we have adjourned we will have made a reputation for intelligence and thoughtfulness that will reflect greater credit upon us than to have joined that body of arbitrary men over there at Steinway Hall. (Tremendous applause.)

THE CHAIRMAN: A committee on finance was appointed yesterday; is that committee ready to report?



MR. WM. IRVINE (of Wisconsin): Mr. Chairman, the committee on finance would recommend that the president and vice-president and secretary of this convention be authorized to make assessments on the various organizations whose delegates have been seated on this floor, for the purpose of defraying the legitimate expenses of this convention.

THE CHAIRMAN: You have heard the report of the committee. What is your pleasure?

A DELEGATE: I move that report be adopted.

THE CHAIRMAN: It has been moved and seconded that the report of the committee be adopted. Those in favor of the motion will signify by saying aye.

VOICES: Aye.

THE CHAIRMAN: Contrary, no.

VOICES: The motion prevailed.

MR. JAMES H. TORREY (of Pennsylvania): Mr. Chairman, I have an idea which I have thought of offering as an amendment to the instructions to the Committee on Resolutions a few minutes ago and which arises again upon this report of the Finance Committee, and that is that, in view of the statements of the press that the olive branch which was offered to the body of men—whatever they are—who are sitting over in Steinway Hall last evening was rejected, and they passed a resolution repudiating it with very contemptuous references to the representatives of this body here assembled. I find that we are shy on officers and we are beginning to throw everything on the chairman, the vice-chairman and the secretary. This body, that met in St. Louis last year and is now meeting in this hall, the way it is organized has an executive committee of nine. I think we may fairly assume by this time that that executive committee of nine was appointed in St. Louis has resigned or ceases to exist, so far as we are concerned, and I would therefore move in addition to the motion which has already been made, that the committee on resolutions report a recommendation for the appointment of an executive committee of nine.

The motion was seconded.

THE CHAIRMAN: The motion is duly supported; will you discuss it?

A DELEGATE: I think, Mr. President, that is a very good suggestion, and that the executive committee should fairly represent, geographically, the different parts of the United States represented here.

THE CHAIRMAN: Gentlemen, let the Chair state that it is highly important that each gentleman upon rising to his feet state his name. We believe it is of the utmost importance that the report of this meeting be accurate and the reporters cannot make it so unless you announce your name as you arise to your feet.

Are you ready for the question?

MR. PERRY (of Kansas City): I believe that motion is the proper one to adopt, but I do not think it goes quite far enough. If our deliberations are to have any permanent force or effect, it will be necessary for us to make provision, not only for the executive committee, but that the executive committee be empowered to do something in the future.

You will observe that the motion of the gentleman simply provides for the appointment of the committee, but does not define what that committee should do, what its powers shall be or anything else except the power of election of the committee. Now the committee is perfectly proper and I am so in accord with it that I think there should be added to it as a motion or something or other by which that committee may know what it has the authority to do in the future, and I suggest at this point that I didn't hear distinctly what the gentleman's motion was and will ask to have the secretary read it.

CHAIRMAN McLEOD: Would the stenographer transcribe that?

THE DELEGATE: Perhaps I can save time by repeating the motion. The motion was that the Committee on Resolutions recommend the names of a committee of nine to be appointed as a permanent Executive Committee of this Association. I recognize that possibly the motion was a little premature, but I thought we wanted to expedite matters as much as possible. We might waste two or three hours after the resolutions committee come in, in getting a new committee and to appoint an Executive Committee. I presume the Executive Committee will discharge its duties as a Committee on Resolutions.

MR. PERRY (of Kansas City): That is just what I was getting at. I desire then to amend the motion by requesting the resolutions committee to also report what the duties of the Executive Committee shall be and what the duties and powers of the Executive Committee shall be in the future.

Amendment seconded.

CHAIRMAN McLEOD: The amendment is accepted by the motioner and also by the seconder.

MR. DIETRICH (of Nebraska): As I understand it the large majority of the present delegates to this convention in the city are here, and that this is the regular convention of the Interstate Law Convention, and if we select an executive committee that executive committee will be governed by the rules and regulations of this regular convention and the rules and regulations which prescribe the powers of that committee.

MR. PERRY (of Kansas City): What are they?

MR. DIETRICH: We have been, as I understand, we have the rules and regulations.

MR. PARRY (of Indianapolis): It is my impression that this motion does not go far enough. This is a question, as I take it, that all parts of the country are interested in and should have a hand in. So that this Executive Committee, I believe, ought to be larger than nine people; in fact, I think it ought to have a representation from each State here represented, and as I understand it, the Resolutions Committee propose to offer some resolutions looking toward a permanent organization, provided we are not finally convinced of the fact that we are the real thing. Now that we may want to leave a permanent organization, and not only may but will, I believe, leave a permanent organization, so that when this convention adjourns the work will go on until after this matter has been determined. So that my idea would be not to adopt this motion at this time,

but to wait until the Resolutions Committee has returned what they have ground out, and in any event not make this Executive Committee too small, but rather have one Executive Committee man from each State, who might possibly be at the same time considered the vice-president for that State, and let the management of the matters in that State be under his jurisdiction, so that we can, if necessary, reach the cross-roads of all parts of the country." (Applause.)

CHAIRMAN McLEOD: Will you discuss the motion further?

MR. THURBER: I move it be deferred for the present in accordance with Mr. Parry's suggestion.

(Motion seconded.)

CHAIRMAN McLEOD: You move that it be laid on the table for the present?

MR. THURBER: If that form is better, I move to lay it upon the table for the present.

(Motion seconded.)

(Motion carried.)

A DELEGATE: Mr. Chairman, I would like to ask a question simply for information. What has been done, or what will be done, to furnish delegates with a copy of these resolutions, motions and such other business as has and will be transacted by this convention?

CHAIRMAN McLEOD: There will be a complete copy transcribed of everything that has been presented, and of all the the acts and speeches and motions of this convention furnished to each delegate.

THE DELEGATE: My reasons for asking are that we do not want to depend altogether upon the newspaper reports.

CHAIRMAN McLEOD: You will not have to. (Laughter.)

CHAIRMAN McLEOD: The chair would like to know if the convention has any wish relative to the length of time that shall be occupied in discussing the report of the Committee on Resolutions. I think we want to afford opportunity for everyone to be heard and a limited time might be desirable as to the time to be occupied by an individual in discussing these resolutions.

MR. PARRY (of Indianapolis): Mr. Chairman, I move you that the limit of time be extended to five minutes in the discussion.

(Motion seconded.)

A DELEGATE: As an amendment, I move that ten minutes be substituted for five. I have never heard a five minutes' speech yet on a subject of this kind.

MR. PARRY: Let me state that in the event a gentleman is on his feet and the convention wants to hear him to a greater extent than five minutes he can certainly ask that the time be extended and it will be granted, no doubt.

CHAIRMAN McLEOD: There has been an amendment to the motion duly supported. Those in favor of the motion extending the time to ten minutes, signify by saying "Aye."

Motion lost.

Thereupon the original motion was put to the house by the chairman and carried.

A DELEGATE (from San Francisco, Cal.): I will state that

there are two Interstate Commerce Law Conventions being held in the city of Chicago at the present time, and we claim that this is the convention, while the public press and members of the other convention claim that they are the simon pure article. Now the Interstate Commerce Law Convention has a chairman and Executive Committee, and if I understand it, both conventions are meeting under the same name.

How will the general public determine in the future which is the genuine and which is the counterfeit? It would seem to me that some descriptive name should be given to this convention, although I believe we are properly entitled to the original name. I believe the others have usurped the name and all of the prerogatives that rightly belong to this convention; that we are in the majority. I believe that should be the subject of consideration, how we should go before the people.

A DELEGATE: I would suggest that if we do adopt a name it be known as the Free Speech Interstate Commerce Law Convention.

MR. D. M. PARRY (of Indianapolis): I have an idea that the Interstate Commerce Law Convention Committee I believe it is, has a reputation that is one I do not want to fall heir to. (Applause.) And I have a motion I would like to make at this time. I did not intend to make it until after the resolutions committee had made their report, because I thought it would be along the line to "wind up" something they might present. The motion I have in mind is as follows:

I move that it is the sense of this convention that a permanent organization should be effected to be known as the Interstate Commerce Regulation Committee."

Now, Mr. Chairman, I do not want to present this motion at this time, but there seems to be in the minds of people present that we ought to have something, and it might not come amiss at this time. I want to state, however, before putting this motion, if it is put, that I do not care about it being put at this time unless it seems to be the proper thing—that if this motion should prevail then that the organization of this committee be carried out along the lines somewhat similar to that of the National Association of Manufacturers, which is, that we have a permanent president, a permanent secretary, a permanent treasurer, the last two of which may possibly be held by the same man, and that a vice-president be selected from each State here represented, that vice-president being one of the Executive Committee, so that each part of this country may be represented on this executive committee, thereby insuring the fact that no part of the country will have greater attention than any other part of the country. I believe it is the intention of the convention to deal with nothing except simon pure justice, that is what we want, and I hope we will get it. I hardly know whether to submit this motion at this time or not. I would merely throw it before the convention for discussion.

MR. DAVENPORT: Mr. Chairman, the question is raised here as to what is the legitimate name of this convention. It has been assumed by everybody in talking about it that this is a meeting of the Interstate Commerce Law Convention, so-

called, but if you will examine the call there is not a reference in it to the Interstate Commerce Law Convention. The Executive Committee of the so-called Interstate Commerce Law Convention took upon itself to invite delegates from the various organizations mentioned to attend a convention, but did not limit it to the members of the former association in any way, nor did it provide for any other matter than the consideration of the matter that we are so familiar with already. That this is true what I have stated I will show you by reading the call:

"A convention of delegates representing the various trade, industrial and producing interests of the country is hereby called by the Executive Committee named in the heading of this sheet,"—that is, the Executive Committee of the Interstate Commerce Law Convention, held at St. Louis, October 28th and 29th—"to be held at the Auditorium Hotel, at Chicago, Ill., to meet at ten o'clock a. m. on the 26th of October next, the sessions to continue probably unto the following day. The basis of representation will be one delegate from every organization composed of persons in any way interested in the various States before mentioned of one hundred members or less, and an additional delegate for each additional two hundred members or major part in excess thereof. The object of the convention is to impress upon Congress the extent and persistence of the demand of the people of all parts of the country for legislation outlined in the President's last annual message to Congress in the following language." They go on with the quotation we are all so familiar with. And a reference to the address of the President at Chautauqua, and then speaks of the extraordinary efforts on the part of the railway interests to change public sentiment and that it had been without effect and says the names and addresses of delegates appointed to the convention should be forwarded promptly to the undersigned at Milwaukee, Wis.

Now this convention is a convention of the duly accredited delegates of the various commercial organizations of the country and other specified organizations who have seen fit to respond to that call. It was called at the suggestion of the Executive Committee of that organization, but it was in no sense confined to those who were members of such an organization, if there were any such members; and that leads me to call the attention of this body to the extraordinary assumption on the part of Mr. Bacon that he was in some way the duly authorized spokesman of the commercial and industrial interests of this country upon this subject. I don't suppose you gentlemen have ever any of you been particularly cognizant with the proceedings before the House committee and the Senate committee of the Congress of the United States, where Mr. Bacon has appeared; but he has been interrogated specifically as to what his organization was, what was its history, to what it was amenable and what was its standing as the representative of the business interests of the country for whom he assumed to speak.

I never saw a greater illustration in my life of the tendency of a man to exaggerate his own importance. It reminds me of an old minister up in New England who was often called upon to deliver the installation sermon to the incoming incum-

bent of the pulpit and he always took for his text this injunction of St. Paul to Timothy: "Above all things, my brother, magnify your office." (Laughter.)

By the time the Senate committee met last winter, he appeared before the committee and he said that he spoke not only for all the commercial organizations of the country and all the shipping interests, but for all the consumers of the country; that he was their representative, and further, he said he brought to them a message from the people.

Senator Tillman, who at that time was there, said that "I thought I had a message the other day from the President, who spoke for the people." "Yes," he says, "and now I bring another." Well, Mr. Tillman, I think, said: "Have you had any further light from the people on the subject?" (Laughter.)

Now, Mr. Bacon has given the history of what is called the Interstate Commerce Law Convention, and it is in brief this: way back in 1889—no, I think it was '98—the National Millers' Federation, if that is the name of the organization, had trouble with the railroads, and they claimed there was a discrimination between wheat and flour, in the rates, and they petitioned Congress to exact some legislation that would grant them some relief.

Finding they could not make much progress going alone they invited the various national organizations to meet with them in an association or convention like this, which I think was held at St. Louis, and at that convention which they were called to, the league of associated or varied associations took action in favor of a measure at that time of this kind.

At that time, at that meeting, Mr. Bacon was present, being a sort of general conservator of all injured trades in the country in regard to this matter, he was appointed a member of the executive committee on States. And thereupon, as that committee, he wanted to widen out the scope of it and so he called a convention of delegates from various organizations to attend at St. Louis in October, 1900, I think.

At that convention, he said there were seventy-one delegates present, representing some forty-one organizations. That organization then called itself the Interstate Commerce Law Convention, and he began a series of correspondence with the various organizations, inviting them to give expression to sentiments in favor of the course recommended. As they gave such recommendation, he at once enrolled them as members of his organization, until last fall at St. Louis the number present he said was 306, representing some two hundred odd organizations. They kept up about the same mode of correspondence, he said, until finally Mr. Bacon was authorized to speak in behalf of some four hundred and sixty, I think, different organizations. And he said that in the meantime, these people who were working together against adverse legislation, had been working day and night disseminating literature, presenting their side of the question with the result so far as he could ascertain, of nothing accomplished. He, although keeping in close touch with all the organizations, had not been able to make any effect upon it.

That is the history of his organization, and now it would seem

to me that this organization is just what by him in his call it purposed to be, that is, an organization and convention of the accredited delegates from these bodies.

CHAIRMAN McLEOD: If the Chair may be permitted to interrupt, the committee reported yesterday morning that this was the Interstate Commerce Law Convention and that report was adopted by this body.

MR. DAVENPORT: Then we did; we must give in ourselves that this is the convention of all the accredited delegates of these organizations which have seen fit to respond to that call and other conventions, the body over there, is the gathering of the same class of delegates so far as they were within the call. We should christen ourselves the Interstate Commerce Law Convention in point of fact, as that is just what we are called together to be.

Now, there is nothing in the name, whether we are the Interstate Commerce Law Convention or by whatever name we are known, or whatever we are, we are the organization I have undertaken at this undue length to describe.

Now it seems to me that the vital thing to do is just exactly what Mr. Perry and others have suggested, that we have an organization for the purpose of giving effect in the only way it can be effective, in influencing the minds of the public and the minds of those who are to enact the legislation, and to christen it as we please.

MR. G. W. PRAER: I would like to state if the Interstate Commerce Law has any articles of association, I would like to know if they have any articles of association or if there are any rules provided for the order of business, methods, or order, or whether this meeting is simply called as a temporary meeting for a temporary purpose.

CHAIRMAN McLEOD: I should judge that we did have but the acts of the Interstate Commerce Law Convention as heretofore conducted, by the flexibility of the rules as interpreted by Mr. Bacon, I should judge they were very pliable.

MR. G. W. PRAER: There is no regular organization such as a permanent association usually has, such as articles of association, giving the purposes of the association?

CHAIRMAN McLEOD: I understand not, sir.

MR. PRAER: Would it not, then, seem obvious that for the purpose of perpetuating this movement or giving it permanence and dignity in form and method that there should be a committee appointed to report a permanent organization, including the proper articles of association, stating the purpose of the organization, providing the officers and their duties, and such other matters as are usually stated in such articles, which provide for permanent organization.

It appears to me that that is the business-like method for perpetuating the business, and if a motion is not out of order—I am not certain whether there is one before the house—if the motion is now in order, I would move that the chair appoint a committee on permanent organization. Apparently we now have no permanent organization, and in forming one we can then

adopt such a name as is found suitable for the organization and its members.

I make that motion, Mr. President.

The motion was seconded.

CHAIRMAN McLEOD: How many on the committee? That a committee of nine be appointed by the Chair on permanent organization. Are you ready for the question?

MR. THURBER: Isn't the committee on resolutions expected to report a plan of what is sought to be reached by this present motion, and would it not create confusion in that respect? I would like Mr. Perry's views on that.

CHAIRMAN McLEOD: The resolutions committee have referred to several suggestions along the lines of permanent organization; how they will treat it the Chair has no knowledge.

An amendment was offered that the motion be laid over until the report of the committee on resolutions, and, being duly seconded and put to a vote, the amendment was carried.

CHAIRMAN McLEOD: I have learned that the resolutions committee will probably not report before 12 o'clock. There are a number of gentlemen here prepared with papers on the subject that we came here as delegates to consider. I believe our time would be well taken if we would listen to a number of these papers and if there is no objection the Chair will call upon such gentlemen as he has knowledge of who have come so prepared to present these papers to you. We will hear from Mr. Wendling of San Francisco.

Is there objection to this? (No objection.)

THE CHAIRMAN: I call upon Mr. G. X. Wendling of San Francisco. (Mr. Wendling came forward.)

MR. WENDLING: Gentlemen, in the preparation of my paper I have taken the negative side of this question, and I wish to say that my paper originates from some correspondence upon this question with the American Lumberman of Chicago. I am not going to go through that correspondence, but will begin my remarks where my paper takes up the subject as a result of that correspondence.

Referring to the correspondence, I used this language:

A DELEGATE: Mr. Chairman, I was going to suggest that as there are so many delegates leaving the hall—many who are leaving having errands to perform in Chicago before going away, and expecting to go away tonight—had we better not adjourn and hear this discussion after the resolution committee reports? I will not make the motion to adjourn, but—

THE CHAIRMAN: The Chair will entertain such a motion if it is desired to be made.

A DELEGATE: I move you, Mr. Chairman, that the convention adjourn to—what hour, two o'clock?

A DELEGATE: Make it one—one o'clock.

THE CHAIRMAN: The Chair would suggest 1:30.

A DELEGATE: I move that we adjourn to one o'clock.

VOICES: No, no; 1:30.

A DELEGATE: As the Chairman has suggested, I move that we now adjourn to 1:30.

THE CHAIRMAN: It has been moved and seconded that



the convention adjourn to 1:30 p. m. Those in favor of the motion say "Aye."

Motion prevailed.

Whereupon an adjournment was taken until 1:30 p. m., October 27, 1905.

### AFTERNOON SESSION.

October 27, 1905.

The meeting was called to order by Chairman McLeod at 2:10 p. m.

THE CHAIRMAN: Mr. Smith, will you make the announcement relative to the certificates?

MR. G. K. SMITH: Is there anyone in the room not here this morning when I made the announcement about railroad certificates? It is absolutely necessary if there is anyone in possession of a railroad certificate that he wishes to use to secure one-third fare return, then it should be turned in. The joint agent will call here in ten minutes for all certificates. If enough of them are turned in to secure the rate, they will be sent here between three and four o'clock.

THE CHAIRMAN: The Committee on Resolutions will be ready to report in two or three minutes. We will be at ease until they are ready.

MR. W. F. TRICKETT: Mr. President, the Committee on Resolutions is ready to report.

THE CHAIRMAN: Gentlemen, come to order and hear the committee report on resolutions. Will the gentlemen come forward?

MR. TRICKETT: Mr. President, and Gentlemen of the Convention: Your Committee on Resolutions begs leave to report as follows:

We declare, as a fundamental basis of our deliberations and of our purpose, an unquestioning faith in the wisdom, integrity and high purposes of President Theodore Roosevelt; our appreciation of his influence, which permeates every branch of government, every industry and all development of the entire nation, and our confidence in his leadership.

We recommend definite action by this convention looking to the establishment of a permanent organization which shall be representative of every State and every Territory of the Union, and shall be the nucleus of all future work that shall become necessary hereafter to carry out the express will of this association. To that end we suggest the selection of a general committee which shall be charged with the duty of transmitting to Congressional committees on interstate and foreign commerce, during the next session, the action of this convention, that we are unalterably opposed to conferring on the Interstate Commerce Commission or any other appointive agency, the power to prescribe specific rates for transportation, for that said action would prove a dangerous experiment inimical to the best interests of commerce and the continued development of this country.

We recognize the existing evils connected with the transportation interests of the country, namely, all forms of rebates or

favoritism extended to one individual or locality, to the disadvantage and detriment of others, private car lines, industrial, terminal or switching lines, manipulation of freight classification, unfair and unequal distribution of freight equipment, and so forth. We demand the most rigid enforcement of the laws which have been found to be inadequate and should be so amended as to provide efficient and permanent relief.

We recognize the great and almost universal dissatisfaction with the Interstate Commerce laws as now administered or enforced is due to the delay in reaching a determination of questions demanding early and final settlement, and we urge upon Congress the imperative necessity for providing the necessary machinery for relief. Respectfully submitted,

W. S. TRICKETT, Chairman.

MR. TRICKETT: Mr. President, I move the adoption of the report as read.

MR. J. I. PLATT (New York): Mr. President, will the gentlemen read the first resolution, that which refers to car lines, and so on. I was afraid that I did not hear it right. It seemed to condemn such things in themselves. To condemn the inequalities that they may cause, not that they are necessary—

MR. TRICKETT: "Recognizing existing evils connected with the transportation interests of the country, namely, all forms of rebate or favoritism extended to one individual or locality to the disadvantage and detriment of others, private car lines, industrial, terminal or switching lines."

MR. PLATT: Does that mean that we condemn private car lines?

MR. TRICKETT: It does not, sir, but classes private car lines, terminal and switching lines as a transportation evil now concerning us.

MR. PLATT (of New York): That they are necessary evils themselves?

MR. TRICKETT: Well, the committee was of the opinion that all forms of discrimination incident to any manipulation of the different car lines and terminal lines should be regulated.

MR. PLATT: We all agree to that.

MR. TRICKETT: I think the resolution so stated.

MR. PLATT: It appears to condemn car lines and switching terminals in themselves as evils.

MR. TRICKETT: There is no such intention on the part of the committee.

MR. A. R. BRIGGS: I desire to second the motion made to adopt the resolution as read, and in making that second I want to say if I am permitted that the Committee on Resolutions has labored now nearly twenty-four hours. We found that we came from divers points of the United States with particular interests in mind, but concluded after considering the matter first in our session some six hours, that we could reach a basis on which we could make a report that this convention could adopt. We submit this report to you, Mr. Chairman and gentlemen, as the result of our best efforts, with the thought that the suggestions made in the report are carried out that the evils which were complained of with reference to transportation can be cured.

We have as a committee, Mr. Chairman, no individual interest to serve, and as we come together and get better acquainted we have found that each one was desirous of making the very best report for the entire country and for the interest of the country that could possibly be made.

We took into account the question of the difficulties that were to be encountered. We realized that there are evils in transportation as there are evils in other branches, but it was our desire not to incite any discussion that would in any wise endanger or jeopardize the continued prosperity of the United States or of the development of this country as it is now going on.

We hope, Mr. Chairman, that the convention will give to us, this committee, the credit of having done as well as it was possible to do and that this report will be received and adopted.

(Calls for question.)

CHAIRMAN McLEOD: Are you ready for the question?

MR. VAN CLEAVE: Mr. Chairman, I would like to speak to that question. I think we should consider a little the advisability of the use of the words "private car lines" and "terminal facilities." As I catch the reading of the report of the committee, it occurs to me that that reference is irrelevant and immaterial. that it does not strengthen the proposition and that it would be considered by many, whether rightly or not, as an unjust reflection on these matters, and I think, gentlemen, it is well for us to be careful not to do those things which would create such an impression, whether right or wrong. I believe the references are wholly wrong, and I believe they are entirely irrelevant, and I therefore move, Mr. Chairman, to amend by striking out the reference to private car lines, terminals and so forth. I can't repeat the exact language of the committee's report. I would like to get the copy.

CHAIRMAN McLEOD: The report is being copied. We will have the copy here so that we can vote on a definite proposition.

MR. VAN CLEAVE: While waiting for that, I want to make another appeal to you: That any action we take here should be of an ultra-conservative nature. We don't want to go before the public, being charged as we are by some of the papers as being a "rump" convention, in any way that could be construed into radical action or in condemnation of interests that are good and right and within the scope of the rights of all men, all American citizens.

Concerning the reference made to terminals: I happen to know something about terminal conditions. I live in a city that is under the ban so-called, of terminal facilities, and yet I know as a fact that the terminal railroad association of St. Louis is one of the greatest blessings that that city ever had, yet it is being condemned by unthinking people.

We don't want to express any prejudice or anything that would condemn such an organization as that, or such an organization as may exist in any city of the United States. Every merchant and every business man who has given the matter any thought must know that terminal facilities that are properly controlled, properly regulated, are the best methods of handling the commerce of any city; so that the reference might be misconstrued, might be carried entirely too far, and I don't believe.

Mr. Chairman and gentlemen, that the striking out of this reference would in any way weaken the report as made by the committee.

MR. RULOFSON (San Francisco): Will the speaker permit me to ask a question? Probably the committee intended to convey the idea that discriminations or any illegal practices arising from car lines or terminal facilities could be regulated.

MR. VAN CLEAVE: I understand that is the explanation the committee has made, but my point is that if we misunderstand it, it is but natural that the general public will misunderstand it. I do not mean that the committee intended to be drastic or arbitrary, but I do believe that you will make a mistake to leave that reference in the report, as the action of this convention.

MR. TRICKETT: I would like to add that it was not the intention of the committee to condemn either private car lines or established terminal switching lines. It was our intention to reach all irregular practices, manipulations or abuses incident to the operation of private car lines, many of which have been unearthed within the last twelve months, and to reach so-called industrial lines owned by private corporations that have been developed for the division of rates. These corporations have been accorded an undue and unjust remuneration for handling a carload of freight for a very limited distance. I do not wish to condemn any terminal lines such as referred to by my friend, Mr. Van Cleave, and I do not think a careful reading of the report will show this is our disposition.

CHAIRMAN McLEOD: Before discussing further it may be well to have the report read on the points involving recognized existing evils connected with the transportation interests of the country, namely, of forms of rebate and favoritism extended to one individual or localities to the disadvantage or detriment of others, private car lines, industrial terminal and switching lines to manipulate the classification, unfair and unequal distribution of freight equipment, etc.

MR. VAN CLEAVE: I would like to be heard on my motion. My motion is to strike out of the committee report—my amendment is to strike out the words, "private car lines and switching lines," and strike out all those words.

CHAIRMAN McLEOD: I will read it as it would read if the amendment made by Mr. Van Cleave is adopted: "Recognizing existing evils and favoritism to the disadvantage and detriment of others, manipulation of freight rates, freight classification, unfair and unequal distribution of freight equipment," etc.

MR. WALLACE NASH: I suggest instead the striking out the words referred, the insertion of the words "through the operation of," and then you have got the whole thing.

CHAIRMAN McLEOD: You make that as an amendment?

MR. NASH: As an amendment.

A DELEGATE: Let the Chairman read the proposed amendment.

CHAIRMAN McLEOD: The gentleman will state the words he wants inserted.

MR. NASH: "Through the operation of," just those words. It will read then "we condemn, through the operation of."

(Motion read amended.)

CHAIRMAN McLEOD: Your suggestion is, "and through the operation of." There is an amendment before the house, and if Mr. Van Cleave desires the amendment put we will have to put it.

A DELEGATE: In the very nature of things that has no place in the resolution if we are directing our resolution to the federal government because it is absolutely, in its very nature, a matter that does not come within Interstate Commerce.

MR. TRICKETT: It is not the intention of the committee to advocate any regulation of switching lines. What we are desirous of reaching is these corporation terminal lines of one, two or three miles in length, which are, as previously stated, accorded an undue proportion in interstate shipping rates. Probably 95 per cent of the business handled by these small industrial lines is interstate traffic, and that is what we are trying to get at. It seems to me very necessary that this convention endorse the resolution as presented.

MR. VAN CLEAVE: I think the views expressed by the gentleman in the rear are correct. We are dealing with a national question and while I have already said I know the committee on resolutions did not mean to do these things, still we are going way beyond what we ought to do. We ought not, and we cannot take up local matters, and we want to treat the whole matter from a broader standpoint. I still believe I was first inclined to adopt the resolution as presented, but now I think the amendment to strike out the words is the best thing to do. It does not take away from the report any of its strength, and it prevents misunderstanding and adverse criticism, without doing any particular good in any way, shape or form. I sincerely hope that the amendment will be adopted.

CHAIRMAN McLEOD: The amendment before the house is to strike out. Will you please state your amendment clearly so that the convention may understand it?

MR. VAN CLEAVE: My amendment was to strike out the words read there.

CHAIRMAN McLEOD: Is there a second to the motion? Who seconded the motion?

The motion was duly seconded.

MR. VAN CLEAVE: Then there was a substitute to my amendment.

CHAIRMAN McLEOD: We want to ascertain what the first amendment was before we go on.

A DELEGATE: I hope that amendment will not prevail. I only wish that the committee would have recommended that all terminal, terminals and private car lines should be brought strictly under the supervision of the Interstate Commerce Commission, for I believe as a rule, the very worst highwaymen that we have in the United States are the highwaymen that are holding up the transportation companies and the public alike—these are the private car lines and the terminal facilities owned by private corporations. (Applause.)

MR. MARTIN: In answer to the statement made by the gentleman in the rear end of the hall that this was not an interstate commerce matter, I beg to say that I differ with him. For

instance, you have in this city a private line, and that belt line participates in the through rate from here to Omaha, and is that an interstate matter? If it gets an undue proportion of the through rate from Chicago to Omaha it is an interstate matter and it is an evil that ought to be corrected.

MR. BRIGGS: The committee is very grateful to the gentleman who thinks that we don't intend to say what we have said, although I think there are members on that committee who understand the English language fairly well, and who have considered the words of the language they used and knew its import. Now, Mr. Chairman, we did not expect, at the outset, and we do not expect now that any platform could be prepared by this convention that would not touch some one, if it did not touch some one it would not be worth the paper it is written on. Mr. Chairman, without discussing the merit of the short lines or terminals, we feel, as a committee, that those words should not be eliminated from this report. (Applause.) We feel that we have given our best thought and judgment to this report with the full knowledge of what we were doing, and we hope that this convention will pay us the compliment of believing me when I say we did understand what we reported. We did know what we were doing when we inserted that language there. I hope, Mr. Chairman, that there will be no amendment to this report, (applause) because if it has any force or effect it has been in the language that has been used. Mr. Chairman, I hope this convention will support this without any amendment whatever.

A DELEGATE: I move you, sir, as a substitute for the whole, that the original motion prevail and move the adoption of the report as read.

CHAIRMAN McLEOD: Moved and seconded as a substitute that the report as read by the chairman of the committee on resolutions be sustained.

(Cries of question.)

CHAIRMAN McLEOD: The chair will suggest that while the convention can do as it pleases, this is a very important matter. We have had something to say about free speech, now let us have it. (Applause.)

MR. DAVENPORT: I rise merely to make an inquiry of the committee, as to a particular expression that I noticed in that report. I notice that its purport condemns only the making of a specific rate. I think that is the idea of this convention that you oppose giving the power to the convention to fix either a maximum or specific rate; that you do not desire to confer on the commission the power to fix a rate, because if you limit your opposition to the matter of only specific rates, you do not oppose the granting of the power to fix maximum rates which involve a great many more evils even without accomplishing near as much results as the fixing of specific rates. And I would inquire whether or not it would not accord with the sense of the committee if you put in the words there "maximum or" specific rates—, The words "maximum or".

A DELEGATE: "Will you read that again?"

MR. BRIGGS: I should like to inquire of the gentleman who has just spoken, if it would be satisfactory if the word "specific" is eliminated and just leave it "rates"?

MR. DAVENPORT: That is better still.

MR. BRIGGS: I am authorized to say that our committee will accept that amendment. Knock out the word "specific" and leave it "rates."

CHAIRMAN McLEOD: Does the convention want to vote on this change?

(Cries of no.)

CHAIRMAN McLEOD: The change will be made.

MR. MEAD: May I ask that the portion of the report containing that part be read again.

CHAIRMAN McLEOD: Yes, sir, in a moment. "We are unalterably opposed to conferring on the Interstate Commerce Commission, or any other appointive agency, the power to prescribe rates for transportation."

A DELEGATE: That is all right. (Applause.)

MR. MEAD (representing Merchants' Association of New York): As stated by me this morning, at the time I presented preambles and resolutions embodying the attitude of the Association which I represent in regard to this subject, that association is not in accord with this portion of the report, and therefore, Mr. Chairman, that being the case, I ask that I be excused from voting upon this proposition in order that in my report to the Association which I represent I may ask for further instructions on my return in that regard.

CHAIRMAN McLEOD: There is a motion to substitute for an amendment. Do you desire to press that further?

MR. MEAD: May I make that a matter of record?

CHAIRMAN McLEOD: It will be made a matter of record.

A DELEGATE: Before we vote on that proposition to accept the report, I think it is very important that we have it read exactly as it proposes to stand.

The report of the Committee on Resolutions as amended, was then read as follows:

Mr. President and Gentlemen of the Convention: Your Committee on Resolutions begs leave to report as follows:

We declare as a fundamental basis of our deliberations and of our purpose, an unquestioning faith in the wisdom, integrity and high purpose of President Theodore Roosevelt, our appreciation of his influence, which permeates every branch of government, every industry and all development of the entire nation, and our confidence in his leadership. We recommend definite action by this convention looking to the establishment of a permanent organization which shall be representative of every state and territory of the Union and shall be the nucleus for all future work that shall become necessary hereafter to carry out the expressed will of this Association. To that end we suggest the selection of a general committee which shall be charged with the duty of transmitting to congressional committees or interstate and foreign commerce during the next session of Congress the action of this convention.

We are unalterably opposed to conferring upon the Interstate Commerce Commission, or any other appointive agency, the power to prescribe rates for transportation, believing that such action would prove a dangerous experiment inimical to the best

interests of commerce and the continued development of this country.

Recognizing existing evils connected with the transportation interests of the country, viz., all forms of rebate or favoritism extended to one individual or locality to the disadvantage and detriment of others or effected through private car lines industrial, terminal or switching lines, manipulation of freight classification, unfair and unequal distribution of freight equipment, or by any other or different means, we demand the most rigid enforcement of the laws, which, if found to be inadequate, should be so amended as to provide speedy, efficient and permanent relief.

We recognize the great and almost universal dissatisfaction with the Interstate Commerce Law as now administered or enforced is due to the delay in reaching a determination of questions demanding early and final settlement, and we urge upon Congress the imperative necessity for providing the necessary machinery for relief.

(Signed)

W. P. TRICKETT, Chairman,  
ARTHUR R. BRIGGS,  
GEORGE M. TIBBS,  
GEORGE H. ANDERSON,  
F. E. BROWN,  
M. W. MIX,  
C. F. FRIZZELL,  
EUCLID MARTIN,  
W. F. ENDRESS,

Committee on Resolutions.

CHAIRMAN McLEOD: The question before the house is on the substitute for an amendment.

MR. THURBER: I second that substitute as an amendment, as I understand it, to substitute the words "and through the operation of."

CHAIRMAN McLEOD: No, the gentleman is in error. The substitution was for the report as just read.

MR. THURBER: A substitute?

CHAIRMAN McLEOD: Yes.

MR. THURBER: I didn't understand that.

CHAIRMAN McLEOD: Mr. Van Cleave made an amendment to the motion which was duly seconded—

MR. THURBER: An amendment to the report.

CHAIRMAN McLEOD: An amendment to the report. Another gentleman, whose name I do not recall, but the records will show, made a motion to substitute for the amendment the adoption of the report just read, which has been sustained.

MR. THURBER: What became of the offer of the amendment to have the words "through the operation of" omitted?

A DELEGATE: That was accepted by the committee.

CHAIRMAN McLEOD: I didn't so understand it. One of the committee expressly stated that they understood that the language that was used was used understandingly.

MR. TRICKETT: May I read the paragraph as amended by the committee itself?

CHAIRMAN McLEOD: You may.



Mr. Trickett then read as follows:

MR. TRICKETT: "Recognizing existing evils connected with the transportation interests of the country, namely, all forms of rebate and favoritism extended to one individual or locality to the disadvantage and detriment of others, effected through private car lines, industrial, terminal or switching lines, manipulation of freight classification and unequal distribution of freight equipment or any other or different means, we demand——"

MR. THURBER: That is all right.

MR. TRICKETT: The committee wants to suggest that, Mr. President.

MR. LANE (Alabama): Mr. President, I desire to make a little personal explanation. The term "private lines" was a term I derived in Alabama where a condemnation proceeding was attempted by one coal mine of the mines of another, and I understood that was a private line, but I understand you have a commercial term meaning private lines of cars. For instance, they have a private car line. What I meant and understood was that you would regulate private car lines, as I say, in condemnation proceedings, in condemning one line corporation's line for the use of another, and I refer to strictly a local matter and I was misled by the term.

CHAIRMAN McLEOD: In order that there may be no misunderstanding, the chairman of the resolutions committee presents the report, which reads as follows:

(The report of the committee was again read as amended.)

CHAIRMAN McLEOD: The motion to substitute is before the house. Is that the only other change mentioned by the committee except the striking out the word "specific" as applied to rates.

MR. KELLY: In order to make the record clear I withdraw my substitute motion.

CHAIRMAN McLEOD: The motion before the house is to amend.

MR. VAN CLEAVE: Gentlemen, you understand I have no more interest in this than any other gentleman in the room. I certainly have no actual interest in it, but as I understand the matter now the committee has amended its own report. Is that the way you understand it?

(Cries of yes, sir.)

MR. VAN CLEAVE: That is, the committee have changed it of its own accord, changed it from the way it read to "one individual or locality as to the disadvantage and detriment of others, effected through private lines, industrial, terminal and switching lines, etc."

Well, of course, that modifies my objection a good deal to it, but yet I would like to have the convention, if in its wisdom it does not vote it down, agree with me, and I would like to have this whole clause stricken out.

(Cries of question.)

CHAIRMAN McLEOD: Was there a second to the motion.

MR. DIETRICH: In order that there may be no confusion and that the record may be clear, I will second the motion, but vote against it.

(Cries of question.)

CHAIRMAN McLEOD: All in favor of the amendment offered by Mr. Van Cleave will say aye.

The motion was duly put and lost.

CHAIRMAN McLEOD: What will you do with the report. It has been moved that the report as submitted by the committee and last read by it be adopted. Are you ready for the question.

(Cries of question.)

Those in favor of the adoption of the motion will signify by saying aye.

The motion was duly put and carried, adopting the amended resolution as last above printed.

MR. ALLEN: I want to be recorded as not voting.

THE CHAIRMAN: What is your further pleasure?

MR. NASH: Mr. Chairman, I would like to say on behalf of the Western States, a few words.

THE CHAIRMAN: The gentleman better state his name.

MR. NASH: Wallace Nash, Portland, Oregon, representing the Portland Board of Trade and also the Jobbers' Association and Manufacturers' Association.

Mr. Chairman and Gentlemen: Very little has been said on this subject, and this I consider very material and ask you gentlemen to bear in mind the wide difference that exists between the Eastern States, fully supplied with railroad facilities, and that of the West, which are yet almost undeveloped in that respect. As I cast my eyes back to my own state of Oregon, an enormous region of undeveloped resources, where men have gone by the hundreds and endeavored to develop these small sections; I know people who are driving their cattle 300 to 350 miles to reach a railroad, and we rejoice now to know that that great pioneer, Mr. James J. Hill, is bringing about a connection with the transcontinental roads, the Northern Pacific and Great Northern, to supplement the communication which we already have. But we recognize that there are two parties who are seriously interested, the producer and the shipper and the railroad corporations with whom he is by necessity brought in contact. Under the conditions I have sketched we are largely producers of material of great weight and small relative value. Therefore the railroad, with relation to the producer or shipper is placed at a great disadvantage. It is almost impossible that a railroad should make profits in the early state of its operation, because of the small value of the product which it is to transport, and it is to the elasticity of the arrangements with railroads that our development has been made; it is that, and in no other way. We have instance after instance where the railroad people of our coast, who are familiar with conditions, who know the people, who appreciate the hardships they are placed in, and it is by their agency and their methods that we have been enabled to carry out our work, and it is therefore with the object of a continuation of such conditions that I am here to represent my people and say that we desire no outside interference with the conditions under which we have prospered so far.

I have instance after instance in my mind where these railroads have made contracts with our people, unprofitable to the railroad in its present state, but most beneficial to our

people. We have repeated instances where our Manufacturers' Association, our Jobbers' and Producers' Associations, have notified the railroads that they are dissatisfied with the condition of transportation as to the rates and conditions. There is very little dissatisfaction, if any, as to the relations existing between the railroads and the people, but it is obvious also that there are instances that we are to deal with and meet.

Now, gentlemen, it appears to me always in listening to these discussions, that there is not a clear distinction in the minds of many of us, as to the two great branches of the problem we have to meet. There is a civil contract under which we ship our goods. There are criminal matters which have to do with the railroads in the matter of undue preference. One case is to be adjusted between the parties, railroad and shipper, by making an adjustment, but not necessarily between them, but by reference to a commission. The other deals with secret rebates, undue facilities, unholy bargains. These are the methods that the criminal law and not the civil law should be called upon to redress, and I suggest to this resolution committee, that that distinction should be made plain. It appears to me that these matters which attempt to deal with the Elkins bill, etc., it should be made plain that these things complained of, they are distinctly criminal in their nature, and should be punished or suppressed, and if the people are not able to bring the matters before the courts, then it should be for the commission to bring these methods forward and have the perpetrators properly punished; I go one step further, where railroad corporations cannot be sufficiently punished in those matters, the agents of these corporations should be themselves held responsible, for they are responsible for bringing about those evils.

I don't know whether these views are too radical but I believe them to be right, and founded in justice, and a corporation has no right whatever, by its agents, to do things that if a person had done, would be criminal. The agents who do these things should be held responsible for them. As to the civil matters it is different altogether, obviously different. It is a matter between the shipper or producer and the railroad. It is obvious that another tribunal of some other kind or another should be brought in to act. It is satisfactory to know that ninety per cent of the charges brought before the Interstate Commerce Commission have been settled out of court, and that five per cent more of those cases have been afterwards adjusted between the corporation and the shipper, and as to the other five per cent of them, they are either pending in court now, or have been adjudicated in favor of the railroad companies. It seems to me that an agency through whose operations such beneficial results can be brought about and have been brought about, even under the drawbacks of its organization as it exists, should be fostered and strengthened and aided in such lines rather than be condemned. I hope that the legislation which we shall see from Congress will take this form.

The Interstate Commerce Commission is constituted at present of five members, mostly, as has been said, from the East. Those who are familiar with the infant, but enormous resources

of these mountain states, and the states of the Pacific slope, who recognize the difference in their conditions between those and the conditions of the Eastern States, must admit the fairness of the suggestion made from the Pacific slope, that at least one member of that commission should have there his home. Obviously the interests of the mountain states, with all their enormous resources in mining and other material, should be represented on that commission. There are considerations which can only be solved by persons who have been brought in contact with those conditions, and I trust, therefore, that the number of the commission may be increased to seven, one of whom shall come from the Pacific slope and one from the mountain states. And then the next proposition is equally fair, that in order that an agency of that kind shall do its best, it shall be accessible and we all know what the difficulties have been up to this time. With its membership such as I have suggested it is obvious that some kind of a circuit could be arranged into which one of the members at least of this Interstate Commerce Commission could circulate around in these different districts and be accessible at certain times for the reception of complaints. The function of such a committee as that would be confined to those duties such as taken by a referee in an equity case. He should be entitled to receive the evidence to tabulate it, to have it given before him under all proper safeguards of cross examination; in fact he should be intrusted with the duty of making up the record; then the meeting of the commission should be so arranged that the result of these cases brought up to this stage should be brought before them in concrete, tabulated and succinct shape so that they could deal with the question without the whole commission going through the labor of taking all the evidence before it, and then let them express their opinion. And I for one believe in no court, and in no tribunal that cannot make its judgments effective. I believe the procedure, as I have depicted it is so broad that it could be made effective by revising, amending, or reversing as found necessary.

The next proposition flows from that, that is, the proposition of appeal from the decisions of that commission, and they should be framed so as to be prompt, easy, inexpensive and effective. That can only be done by the extension of power to the members and the extension of power and rearrangement of the circuits of the United States Circuit Court. But I think any legislation that attempts to deal with that should extend the functions, extend the membership, extend the accessibility of those that may appeal. But you must remember that appeals to the United States Supreme Court at Washington are not to be desired, but to be resorted to only in extreme cases. I would limit the appeal in city or railway cases to the circuit court. If such an organization as that can be put into operation, I believe we will have no need to do this unconstitutional thing that anybody appointed here shall be able to deal with the future race. None of us have the power to deal with the future. It is quite sufficient that any court should deal with the cause and the case and the complaint brought before it as to what has passed and not with having to do with the future yet unreached.

Gentlemen, I am obliged to you for your attention. (Applause.)

MR. EUCLID MARTIN: The report which has just been adopted of the Committee on Resolutions provides for organization. I think we ought to complete that at this time, and I move you Mr. Chairman, that in perfecting this general committee referred to in the report, that the chairman of this meeting be the chairman of that organization and that Mr. Wendling and Mr. Bradley be selected as vice presidents and the others be selected from each state or territory that are here today. The vice presidents so selected, and the chairman of this meeting, shall constitute a body until the vacancies are filled from the other states.

The motion was duly seconded.

MR. THURBER: Gentlemen, does not that include the vice presidents already elected?

MR. MARTIN: I have no objection to that, sir.

MR. BRIGGS: The gentlemen who have been in attendance on this convention must feel gratified at the sentiment that has been expressed here. We have come together from various parts of the United States, at our own expense, representing the particular and general views of our constituents, and we have got along to this point harmoniously, and I might say almost unanimously in favor of the plans that have been laid, but, Mr. Chairman and gentlemen, we have reached now, in my opinion, the critical point in our work. We have only just laid the foundation and the future depends on what we do now, and what we will do now will be shown by the future results, the wisdom of what we have done here today.

Mr. Chairman, if we are to return to our homes and report to our constituency that we have passed resolutions, that we have made an organization without very earnest and due deliberations, I fear it will not inspire the confidence we hope that this convention will have in our constituency. Therefore, Mr. Chairman, I hope there will be no undue haste in this organization. I am in full and earnest sympathy with the motion that has been made, that the chairman of this convention shall be ex-officio chairman of the permanent organization and that that organization shall be made up of one delegate or one representative from each state and each territory, but I hope that this convention will pay the compliment to the chair of giving him the right of making such investigation as he is capable of making and going into this matter carefully and giving him the power to select that delegation from the various states and territories after consultation with the delegates here or by correspondence or otherwise. We have a great deal of work to do. The work of this committee will extend into Washington, it will extend to Congress, and will extend to all parts of the United States.

Now the dangers I see are these: If we as delegates today select a vice president, as you call him, and he shall be a member of this permanent or general committee, the chances are that we will get a good many men who were perhaps not the best who could have been selected from that particular or this particular delegation here. I think, Mr. Chairman, the better way for this convention would be to leave this matter as I have suggested, in the hands of the chairman and let him carefully work it out and appoint these vice presidents from each

state and these vice presidents shall form the general committee which has been provided in the form the committee has before it. I make this, Mr. Chairman, in great sincerity and not with any ambition on my own account, because I say to you now that I am not an aspirant for that place and if it were tendered to me today I am not in a position to accept it, nor would I. Therefore, I am able to say what I do say without being accused of any ulterior or selfish motives. I hope, Mr. Chairman, that this matter will be thrashed out and that each gentleman will express his view of it and that we shall reach in our conclusion the best possible result.

CHAIRMAN McLEOD: The chair may be pardoned for making remarks, but I do not agree with the wisdom of the suggestion made. I think we had clearly demonstrated here yesterday morning the idea of each state making its own selection, and while it might be wise for an organization along that line of representation to delay this selection and to invite each of the committee, and have the organization perfected at a little later date, if the states want time to consider, I think in any plan of organization the states themselves should name their vice president without even a suggestion from the chair.

MR. D. M. PARRY (Indianapolis): Mr. Chairman, I believe that the matter could be very well taken care of if the states were each to select their vice president and let that vice president be considered as one of the executive committee, and then this convention empower the president of this association--whom I hope will be our permanent chairman--to select as he may see fit, or from whatever section he may see fit, say twelve executive committeemen at large.

MR. MARTIN: Mr. Chairman, I want to say that I will yield to no man in this convention in my respect for the chairman of this convention. In making the motion which I did, I made it with this idea that I had then and have now; that I would be in strict accordance with the conscience of the convention itself. I want to call your attention to the fact that you have here today delegations from many states, and delegates from different parts of the states; they are here assembled. It is doubtful when they will meet together again, and I know of no time when this can be done so well by the delegates from the various states as now. If there are not sufficient delegates here representing every state, let that state pass and let the name afterwards be presented or let the chairman fill the vacancy. Or if this convention deems best that the chairman shall appoint the entire committee it is entirely satisfactory to me, I made the motion in accordance with a report of the committee and in order that the report which they made and which you adopted might be effected. (Applause.)

MR. F. W. SIMMONS (Iowa): I am full in accord with the sentiments expressed by the mover of this motion. I have gained, not of my own account, gentlemen, that impression, but it has been largely increased by the talk which I have heard in the corridors of the different hotels in this city in the last few days. I am not in accord with it because it strikes at the principles of the democratic spirit which I believe this convention wants to take. I represent a state here that has not less than forty and

I think fifty good, loyal, true and conscientious business men who are participating in this convention. They have had no representation on the appointed committee on resolutions and they have sought none. They are here as representative free American citizens to express themselves on this great question which has been so much talked about by our politicians and even by the President of the United States, and so sincere has he been that he deemed fit to incorporate in a message to the Congress of the United States his views upon this. We wish to throw such light on this question that the President of the United States shall take cognizance of it. We, therefore, must not be criticised by the press of this country or by any populist element there is in this country with reference to our deliberations here. They must be of that democratic character which shall not draw that criticism. Therefore I believe that the states here now that are represented—or localities, if you please—are competent, and at this time ought to decide who their representatives will be for these reasons. (Applause.)

MR. PARRY: Is there a motion before the house.

CHAIRMAN: There is a motion before the house. The chair is not quite clear concerning it. I take it that the motion is that there shall be an organization consisting of a vice president from each state represented here, the representatives to be selected by the representatives of these states that are in session here.

MR. PARRY: As I understand it that was possibly more in the nature of a tentative suggestion, and if that is so, I have a motion outlined here that might probably give us a little quicker action, as I understand there are quite a number of our people that would like to get away as early as possible. If it meets with your approval I would like to offer this.

CHAIRMAN McLEOD: If Mr. Martin does not—

MR. MARTIN: I made a motion that if it is desired that I withdraw it I will do so.

CHAIRMAN McLEOD: No, that is not the idea. I have no wishes in the matter.

MR. MARTIN: I would like to have Mr. Parry read what he has there.

MR. PARRY: I will just read what I have: "I now move that it is the sense of this convention that a permanent organization shall be effected to be known as the Interstate Commerce Regulation Committee and that we now proceed to elect a president and treasurer, each state to elect its vice president who shall be a member of the executive committee and that the president be empowered to select twelve additional executive committeemen at large."

MR. MARTIN: I would say in answer to that that the committee has already provided, and this convention has adopted an organization, so that a motion to organize would not be in order. I think the motion which I made covers the ground very well indeed.

CHAIRMAN McLEOD: State your motion again so that we can understand it.

MR. MARTIN: I will separate the motion gentlemen. My motion is first that we proceed to the regular organization

provided for by the executive committee's report. That that organization shall consist of a president and that the chairman of this meeting shall be that president ex-officio, and that that organization shall choose a vice president from each state, to be selected by the delegates present, and I desire to aid that motion by putting the first part of it myself which is that the chairman of this meeting be the chairman ex-officio of that organization. Are you all ready for the question?

A DELEGATE: Leave out "ex-officio."

MR. MARTIN: All in favor of that motion manifest it by saying "Aye."

The vote being taken, the motion was unanimously carried.

MR. DIETRICH: I now move that the chairman be empowered to select twelve additional members at large throughout the United States.

A DELEGATE: You have neglected the secretary-treasurer, and if I am rightly informed a great deal of labor falls to such a man.

A DELEGATE: What is the motion to be passed on?

MR. McLEOD: The question before the house is the adoption of the motion for the selection of a vice president for each state represented here. Are you ready for the question?

The chairman then stated the question, and the vote being taken, the motion was carried.

MR. BRIGGS: We ought to know how many states there are represented—how many are represented here today and how many delegates there are from some of the states only partially represented. When the roll is called, we can get that information. I would like to inquire what that delegation is going to be able to do. It seems to me that this is the view—I don't think my views, of course, should control—that these delegates should be appointed today, but if the matter were deferred until the delegates reach their homes, or in some way communicate with each other I think we would accomplish better results. Now, to illustrate, I represent one commercial association. In the California delegation there are thirty or forty delegates representing many other commercial associations, and I venture to say, Mr. Chairman, that every one of these commercial institutions will select a delegate that they will want to make vice president, and it seems to me that we are getting right into a wrangle at once when we come down to only one, and suppose there is none, what are we going to do? I think we should discuss this question intelligently.

MR. THURBER: It seems to me, sir, that we might follow the same course we did in selecting a committee on credentials. We should go as far in that direction as we can, and then if there are any vacancies they should be left for the president to fill, and we should pass the resolution for the selecting of twelve additional vice presidents to be at large.

MR. BRIGGS: I would like to ask Mr. Thurber where he finds any authority for doing that. What right has he to do it?

MR. THURBER: By the motion itself, the authority is granted in the motion itself. We should proceed as we did in the matter of credentials. Let the different delegates get together and



nominate their man, and any vacancies may be filled afterwards by our president.

CHAIRMAN McLEOD: A card has just been sent up to the chairman suggesting that the name "Interstate Commerce Law Committee" be changed to "Federal Rate Association," and signed by several men.

MR. LONG: I move we reconsider the motion just proposed. I think, and a number of the gentlemen sitting around me have also voiced their opinion that Mr. Briggs is right. We are not prepared to elect vice presidents, so I make the motion that we reconsider.

The motion was duly seconded.

CHAIRMAN McLEOD: It has been moved and seconded that the motion just passed relative to selecting the vice presidents at this time be reconsidered.

MR. DETRICK (Pittsburg): I am opposed to this present motion of reconsideration. I think that it should not be reconsidered and I am opposed further to the remarks of the other gentlemen as to the possibilities of a wrangle under present conditions. I think the possibility of a wrangle will be far greater if this matter goes back to the various states and territories throughout the United States for consideration.

We have gotten on nicely so far, and we all know what we have done, and what will be to our interest, and I think that if that idea is carried out in the resolutions that have been adopted here, there will never be a better time to finish the work of the committee than at the present time and by the people present.

MR. EDWIN STEARNS (California): I do not see, Mr. Chairman, how the chairman of this convention is to get the names of any of the delegates for commercial information, as regards their ability, any better or easier than he can get them from the delegates that are here today. (Applause.)

We are crossing a bridge before we come to it, and I do not see any necessity for any wrangling. The men that we select, the representatives of our different states here, can select some man who will act for a year, and if at the end of that time he proves inefficient, drop him at the next session. If he proves to be a valuable man for the committee, put him on again.

The chairman can get no more recommendations by writing to all these organizations than he can right here today from the gentlemen who have made this convention and who have come across the continent, many of them, together, and now is the time to do it. Settle it now. Do the thing and let us go to our homes. (Applause; cries of "Question.")

MR. R. A. LONG (Kansas City): We have come very near adopting one or two resolutions since this convention has been assembled that would have been very detrimental to our interests if they had been hastily passed. The question which we now have before us is, in my judgment, one of vital importance. If we endeavor to select the delegates at this time, as it is growing late in the day and we are tired, those states that are well represented will make their selections hastily; very probably, and will not take into consideration all the facts that should be considered, and probably will select some man that should

not be given the position as he cannot give the matter the attention that it should be given and who cannot attend the meetings regularly, and so we might have a committee without force.

We also have a number of states here who, as stated by Mr. Briggs, have only one delegate. This gentleman, of course, would have to select himself, and if he did that, he might make a bad selection. (Laughter.) And so I believe it is much better for us to return to our homes. We are here today to make selection by states at large. We have but little to do with the selection of the delegates, we are here—they have not been called into this convention; so, in my judgment, if we are to accomplish anything, if we are to accomplish what we ought to accomplish, we should take plenty of time for the selection of such men as are not only able and competent to do the work, but will be sure to be in attendance on the meetings when they are called. Therefore, I think a better result will be obtained if we wait for the selection of delegates.

MR. J. D. RADFORD (California): I want to call your attention to the fact that California is closer together today than it ever will be again. You can put your finger down in Chicago and run down to Mobile or the Gulf, and you have only got one corner of California and the other. We are here representing all different parts of the state. We can withdraw and select somebody to fill this infinitely better than you can do it in California, or we can do it in California. We are closer together today than we ever have been. We ought to make the best selection we can.

(There were cries of "Question.")

THE CHAIRMAN: Those in favor of reconsidering the motion will signify by saying "aye," contrary "no."

Motion carried.

MR. DETRICK (Pittsburg): I now renew my motion that we empower the president or chairman to select twelve delegates to serve upon that committee.

The motion was duly seconded.

THE CHAIRMAN: It has been moved and seconded that the chairman appoint twelve—what do you call them?

A DELEGATE: Members of the Executive Committee.

THE CHAIRMAN: Select Executive Committee consisting of twelve delegates.

A DELEGATE: They are members of the General Committee.

THE CHAIRMAN: What is your pleasure?

The motion was duly seconded, and being put by the chairman to the convention, was carried.

MR. MARTIN: Now, Mr. Chairman, I move we proceed to call the roll of states.

THE CHAIRMAN: The secretary will call the roll of states. Do you wish a recess.

MR. HOWARD: Mr. Chairman, I move we have a recess of five minutes.

The motion was duly seconded, and being put by the chairman, was carried.

(Recess for five minutes.)

Chairman McLeod called the meeting to order after a recess of five minutes, at 3:40.

MR. WENDLING: Mr. President and gentlemen, now that we are about ready to choose representatives from the different states as the result of the actions of the delegates just got together, I think it is proper that we should have a name for our organization. Thus far we have none, and I wish to submit for your consideration the title, Federal Rate Regulation Association, as the name of our permanent association.

A DELEGATE: Freight association.

A NUMBER OF DELEGATES: No.

The motion as made by Mr. Wendling was seconded.

MR. WENDLING: I had in once the word "Freight," but took it out. It seemed to me that title was sufficiently long.

MR. F. J. BRADLEY: I was pretty well satisfied with a name suggested by Mr. Parry.

MR. PARRY: I think the name suggested is equally as good as the one I have. I simply took this off hand—Interstate Commerce Regulation Association, but I think that is most too much of a mouthful and this one is better.

S. G. DOUGLAS (Tennessee): Wouldn't it seem to be plain now that we are the Interstate Law Commerce Convention? Why should we change our name?

CHAIRMAN McLEOD: We have so decided by adopting the resolutions of the committee, but you can change it if you desire.

MR. C. W. GOODYEAR (New York): I want to ask the convention if they like the words "Rate Regulation"? Are we a rate regulation body or do we propose to become one? Are we not rather "Federal Shippers' Association" rather than "rate regulation"?

MR. WENDLING: The object of this association and the work we have in hand and the work we have ahead of us is certainly a matter of an effort to regulate freight rates of the country in so far as our efforts may be successful. I am in no hurry about the solution of this problem and I would like to hear from some of you gentlemen. It seemed to me that was about as short a title as we could get.

MR. THURBER: I want to raise one thought in the minds of the gentlemen present. The word "regulation" may give our enemies a chance to say that we are railroad men and we propose to regulate the freight rates of this country. You know that that is not true, but we are shippers and we represent shippers, and the suggestion made by the gentleman from New York seems to me to be worthy of consideration and I am in favor of the Federal Shippers' Association or Shippers' National Association. We want our name to express what it is. It is a shippers' national association and I throw that out for consideration.

MR. J. T. SULLIVAN (Iowa): It strikes me that while regulation may be the only thing that you desire, in other states, in Kansas, we are ready to pay the freight, but we want service, and if we are only going to regulate rates, we have not very much interest in it. We want our cars standing on the tracks in Texas loaded, and that have been there seven weeks, started towards Kansas. We want more trains. We want trains to come on the day that they are advertised. We don't care for the freight, make it what you please, but give us our stuff when we want it; that is what we are after.

A DELEGATE: In connection with this matter, I am very much impressed with the idea we are the convention originally called, I am very firmly of that opinion, I think we are the convention de facto. My further contention is that we are entitled to that name, and assume to be that convention, that the other concern will die in a short time and we will remain as the only body bearing that name. I think those people will disappear in a very short time, and I therefore prefer the original name.

A DELEGATE: Mr. President, it occurs to me that the name suggested by Mr. Thurber, of New York, is the appropriate one. We are shippers and not carriers. It seems to me that the National Shippers' Association would be the better name, unless, as suggested, we continue under the name under which we were invited here, and say that we are "it."

MR. WENDLING: Mr. Chairman, the other name is a good name, as far as that is concerned, but it seems to me we have not proceeded under that title and we might have a title of our own. It occurs to me we ought to choose a name. Now our whole idea of coming here is to meet and discuss questions of rate regulation, interstate and otherwise. I puzzled over the name considerably before I submitted it, and I believe it is the only proper name we can possibly take. Relative to the remarks made by my friend here about the other people dying, we do not want to under-estimate the character of their ammunition. I understand they raised \$10,000 over there to proceed with. I would like to hear further discussion over this name.

A DELEGATE: Mr. Chairman, will you read the name?

THE CHAIRMAN: The name is "Federal Rate Regulation Association."

MR. D. DAVENPORT: Now, Mr. Chairman, it seems to me that this is about as good a name as you can select. This matter of the regulation of rates by the Federal Government as it is proposed by those who favor it, affects not only the shipper and the carrier, and the consumer, but it affects the future of the government of the United States and of the institutions which we have lived under hitherto, and under which our posterity must live. We are not to say this is a farmers' association or a shippers' association, or anything other than an association formed for the purpose of considering and directing measures bearing upon the subject of the federal regulation of rates and interstate commerce.

MR. HUGH HOGAN (California): Would not Mr. Wendling accept this "The Shippers Federal Rate Association."

MR. WENDLING: The objection to that, Mr. Hogan, I think would be this: There are a world of shippers' organizations, and a world of national associations of different kinds, but so far as my memory goes we have no federal rate regulation association in this realm, and it occurred to me it was a good name for that reason. Now, our association will be composed of all kinds of organizations—consuming, industrial, manufacturing, producing and so forth. Our whole efforts will be directed towards the sensible and legal regulation of freight rates throughout the country of every character and that is the reason why I suggested that, and it seems to me it is not too long.

MR. HOGAN (California): If that will cover the whole thing I will accept it.

THE CHAIRMAN: Are you ready for the question?

MR. HOGAN (California): Yes.

The motion was put by the chairman to the convention, and carried.

CHAIRMAN McLEOD: The secretary will now call the roll by states.

Before that is done the chair desires to announce that he will be pleased to receive suggestions from any delegates here addressed to his home at St. Louis as to who the executive committee should be. The chair would be pleased to consider any suggestion that may come to him.

The secretary will please call the roll.

THE SECRETARY: Alabama.

A DELEGATE: Charles P. Lane, president of the Alabama Commercial Industrial Association, Huntsville, Alabama.

CHAIRMAN McLEOD: Those in favor of Charles P. Lane being the vice president from Alabama will signify by saying "Aye."

The motion was duly put and carried unanimously.

THE SECRETARY: Is it necessary to put the question every time when you have already authorized the procedure?

CHAIRMAN McLEOD: It is a matter which the convention can decide upon if it desires.

MR. G. T. DUNLAP: I move you that the names be read by the secretary and that they all be voted upon at the same time.

CHAIRMAN McLEOD: The suggestion will be followed unless there is some objection.

MR. BRIGGS: I understood the state selected their own.

CHAIRMAN McLEOD: They do.

THE SECRETARY: Colorado.

A DELEGATE: George C. Copenhagen, Denver, Colo., of the Denver Carriage Manufacturers' Association.

THE SECRETARY: California.

A DELEGATE: A. C. Rulofson, of the Manufacturers' and Producers' Association of California.

THE SECRETARY: Connecticut.

A VOICE: Daniel Davenport, Bridgeport, Conn., a delegate from the State Board of Trade.

THE SECRETARY: Indiana.

A VOICE: J. S. Jordan, Indianapolis, Indianapolis Board of Trade.

MR. JORDAN: For the reason that I was sent here as a delegate to this convention without any instruction whatever and although I thought I had better cast my lot with this organization I have done so without authority of the Board of Trade. The other delegate is serving in the other convention and for that reason I would rather not have my name mentioned at this time until I get back and report to the Board of Trade and then the Indiana people can send in their choice.

CHAIRMAN McLEOD: Mr. Jordan can arrange with the delegates from Indiana.

THE SECRETARY: Idaho.

A. B. Moos, Idaho Hardware and Nickel Dealers' Association, Fayette, Idaho.

MR. MOOS: We are like the man from California, who spoke before recess about being in so amicable a condition. We have in the past conferred with the delegates from Idaho for some little time, but as I am the only member from that state I am rather undecided as to who should be appointed. (Laughter.) We have a good many good people out in our state, but we would like to have time here to confer so that we will get a good vice president and member on the Executive Committee of this association and now if this convention will give me time to go back to Idaho, a couple of thousand miles, I will endeavor to find a man who will be a credit to the association.

A DELEGATE: I move that we do not give him time but that we nominate Mr. Moos to fill the position.

The motion was duly seconded and put by the chairman and carried unanimously.

THE SECRETARY: Illinois.

A DELEGATE: I desire to nominate for Illinois Mr. DeLoss Hull, of Oak Park, Ills., a member of the Illinois and Wisconsin Retail Coal Dealers' Association.

THE SECRETARY: Iowa.

MR. JOSEPH DAIN, of Ottumwa, Iowa.

THE SECRETARY: Kansas.

J. B. CASE, of Alibene, who represents one of the largest creamery associations in the United States.

THE SECRETARY: Kentucky.

F. C. NUNEMACHER, Louisville, Ky.

THE SECRETARY: Louisiana.

S. M. BLOSS: I am in the same position as the gentleman from Idaho.

(Cries of "Treat him the same way.")

I am the only member, the only delegate. I represent two associations and I would prefer to have the matter laid over and advise the chairman later as there may possibly be some dispute in Louisiana as to which side of this question they will take, and I would prefer to, although I am personally in favor of casting my lot with this body, still there may be possibly a difference of opinion.

A DELEGATE: I nominate the speaker.

The motion was duly seconded, put by the chair and carried unanimously.

THE SECRETARY: Maryland.

A DELEGATE: I move that Mr. R. M. Watts, president of the Coal Exchange, of Baltimore, Md., be nominated.

THE SECRETARY: Massachusetts.

A DELEGATE (Massachusetts): Frank J. Bradley, of the Shoe Manufacturers' Association.

THE CHAIRMAN: Mr. Bradley is vice president now.

A DELEGATE: I didn't understand that Mr. Bradley was made vice president.

MR. PERRY: Mr. Bradley was elected vice president for this convention.

MR. E. MARTIN. I made the motion today that these two vice presidents be selected at the same time, and that was

passed, at the same time that I moved you be made president.

MR. PERRY: All I wanted to say was that when I moved the election of officers, I didn't mean the permanent organization of this meeting. I did not think when I made the motion a while ago for you as president, the presiding chairman, Mr. McLeod, that he would be made the president of the permanent organization. I certainly had no idea that he was nominated as the president of the permanent organization, and I don't think that any other gentleman here had.

THE CHAIRMAN: I understood that the mover, Mr. Martin, as his motion included at that time, that it carried with my election the election of two vice presidents. I say that I understood it and I may not have put my motion in that way. If I did not it was a misunderstanding on my part.

MR. PERRY: I nominated Mr. McLeod as chairman of this convention.

MR. MARTIN: That was yesterday. We nominated Mr. McLeod as president of the permanent organization today.

THE SECRETARY: Michigan.

MR. JONES (Michigan): I am not acquainted with the delegates. We have only four with us at the present time. We have decided to leave the appointment of vice presidents to the secretary of the Retail Lumbermen's Association and the president of the Coal Dealers Association. They will forward the names to the president of this association.

THE SECRETARY: Minnesota.

A DELEGATE: I nominate Mr. George M. Tibbs; of St. Paul. We would like to select the names of the delegates at large, if it is the proper time.

CHAIRMAN McLEOD: We would like to have you send them to St. Louis.

THE SECRETARY: Missouri.

A DELEGATE: I nominate Mr. W. C. Perry, of Kansas City.

THE SECRETARY: Montana.

A DELEGATE: Montana finds itself in precisely the same condition as Idaho. Our delegates, with a great deal of unanimity, selected a gentleman, but like my friend, Mr. Moos, I do not think of any gentleman we can now agree on. We will ask that Montana be passed for the present, and we will endeavor to select a suitable man and send the name to the secretary at St. Louis.

MR. A. E. MOOS: I will place in nomination the name of Mr. D. F. White. He was governor of Montana, and stands close to the people, and has a better understanding of railroad rates than any man I know in the northwest, and I therefore nominate Mr. White, of Dillon, Montana.

The nomination of Mr. White was put to a vote, which was unanimously carried.

THE SECRETARY: New Mexico.

A DELEGATE: I nominate Mr. Frederick H. Pierce, president of the Las Vegas Commercial Club.

THE SECRETARY: Nebraska.

A DELEGATE: I nominate Mr. Euclid Martin, of Omaha.

THE SECRETARY: New York.

A DELEGATE: I name Mr. John N. Scatcherd, of Buffalo.

THE SECRETARY: Ohio.

A DELEGATE: I name Mr. William J. Blakeney, of Dayton, O.

THE SECRETARY: Oregon.

MR. WALLACE NASH: I would like to have the matter settled in Oregon.

It was moved that Mr. Nash be selected as vice president from Oregon.

The motion was put and unanimously carried.

THE SECRETARY: Pennsylvania.

A DELEGATE: I nominate Mr. E. J. Detrick, of Pittsburg.

THE SECRETARY: Tennessee.

A DELEGATE: I nominate Mr. W. R. Cornelius, Jr., of Nashville.

THE SECRETARY: Texas.

A DELEGATE (Texas): R. W. Hawkins, of Galveston.

THE SECRETARY: Utah.

A DELEGATE (Utah): Utah submits the name of Col. Joseph Goeaghan, Salt Lake City.

THE SECRETARY: Wisconsin.

A DELEGATE (Wisconsin): Mr. President, I would like to nominate J. WALDO Thompson, of Beloit, Wisconsin.

THE SECRETARY: Wyoming?

A DELEGATE (Wyoming): If you will refer back to the state of Washington, I would like to place in nomination Mr. Goldsmith, Seattle, Washington, a man who has given great study and much time to this subject, and I am sure he will be very valuable to the organization as a vice president from his state and an assistant to the president.

THE CHAIRMAN: Let the territories in the United States be called.

A DELEGATE: Mr. President, I would like to refer back to the State of Virginia and suggest to the convention that they nominate Mr. Lucian M. Cocke, the governor's representative who spoke to us this morning. I had quite a talk with that gentleman and I understand he is a master of this situation and I have no doubt he would be an honor to the State and this organization. His name is on the record there; I don't know what his given name is.

CHAIRMAN McLEOD: Has any State been omitted?

A DELEGATE (Mass.): Massachusetts nominated Horace W. Sawyer, of Lynn, Mass., of the Shoe Manufacturers' Association, Incorporated.

THE CHAIRMAN: Now, gentlemen, do you desire these States to be read again before passing on them as a whole?

(Cries of "No.")

MR. PERRY: The delegates from Indian Territory authorize me to announce the election of James Elliott of Hartshorn, Indian Territory Coal Operators' Association.

THE CHAIRMAN: I am reminded that the Chair did not put the name of Mr. Cocke to this body. Those in favor of his election will say "Aye."

Motion carried.

A DELEGATE: Mr. Goldsmith, of Washington, Seattle, Washington.



THE CHAIRMAN: Those in favor of Mr. Goldsmith say "Aye."

Motion seconded and carried.

MR. PERRY: I move that the convention ratify the appointment of these gentlemen who we have nominated vice-presidents of the various States.

Motion seconded and carried.

MR. JOHN CRAFT: I move that the Chairman of this convention have the States and Territories which have not furnished names for vice-presidents of this permanent organization, write to the commercial organizations of those States and Territories and get from them the names of those who are to act as vice-presidents for those States and Territories.

The motion was duly seconded and carried.

THE CHAIRMAN: What is your further pleasure?

MR. C. B. HAYES (Kansas City): I move that the selection of a permanent secretary be left to the executive committee, and that until the selection is made the president be empowered to select a temporary secretary to do the work.

Motion duly seconded and carried.

MR. M. D. WITTER (California): I wish to ask, has the financial committee reported?

CHAIRMAN McLEOD: The finance committee has reported, authorizing the president and the secretary of the association to audit the accounts and the expenses and to make an appropriate assessment on all members to cover it.

I want to say a word about the subject of the permanent organization. It seems to be one of the weaknesses of the other organization that it was not cemented by the individual members; they were not members of the Interstate Commerce Law organization. It seems to me that we should take whatever necessary steps our president might provide for toward a permanent organization. To be a delegate is one thing—to be a permanent member is quite another.

MR. C. W. GOODYEAR: I move that a committee of five on By-Laws and Permanent Organization be appointed by the Chairman.

MR. THURBER: I believe that the Executive Committee ought to formulate that. I move that as an amendment.

MR. GOODYEAR: I accept the amendment.

A DELEGATE: It has been suggested that it be left to the Executive Committee for the reason that to carry on this work it will be found that we will want local organizations, and I think that the local organizations ought to have a membership that will contribute to the general fund. In some States it will come from one or two commercial bodies, and these commercial bodies are everlastingly being called upon for special funds for one thing and another, and their funds are taxed.

CHAIRMAN McLEOD: Are you speaking to the motion?

A DELEGATE: I am speaking more particularly to the enlarging of the scope of this magnificent organization so that each State can take a more individual action among the business men than the organization could.

CHAIRMAN McLEOD: It has been moved and seconded that

the Executive Committee be authorized to prepare a plan of permanent organization and by-laws.

MR. PERRY: I want the gentlemen of the convention to defer to the committee and give them more power and authority to do something in the future. I do not think that the power conferred upon it by the resolution or the power being conferred upon it by the motion is strong enough to clothe this general committee with the power with which it ought to be clothed, enough power to carry on the work that we have commenced here. That is power to go on and finish up the work you have commenced. Now the Resolutions Committee very properly in its report suggested that the organization of the General Committee—the resolution reads: “To that end we suggest the selection of a general committee which shall be charged with the duty of transmitting to congressional committees on interstate and foreign commerce during the next session of Congress the action of this convention.” That is very good, and that is as far, perhaps, as the committee on resolutions felt it had the authority to go. I am in favor of the motion made by my friend on the right—that is, I am in favor of conferring on that general committee authority to make by-laws and do anything and everything else that may be necessary or proper in its judgment to carry out and complete the work we have inaugurated in this convention. I move as an amendment to the motion now before the house that this general committee shall be clothed with all the power that this convention is possessed of. I want it to act as a substitute for this convention and do anything we might be able to do while in convention assembled, including the power, if it seems desirable, to reconvene this convention or to call another convention, and to fix the basis of representation in such new convention. In that way we will have a working committee that we have already given birth to in a large part, and we will also clothe it with such authority as we have the power to clothe it with and with sufficient authority at least to carry on the work we have started to do.

CHAIRMAN McLEOD: Is the amendment supported?  
(Amendment seconded.)

CHAIRMAN McLEOD: Gentlemen, do you wish to discuss the amendment made by Mr. Perry?

Motion put to the house by the Chairman and carried.

MR. W. M. HOPKINS (Minneapolis): In what form do you propose to embody that authority? Do you propose to draft a constitution or something that will take the place of the constitution that the members of the various organizations that these delegates represent can subscribe to? I understand it is the purpose to send out these proceedings to the various organizations represented in order that this committee may be clothed with the proper power to continue this work. You should have the authority of the organization which we represent. We appear here in the interest of the Minneapolis Chamber of Commerce, but we are not empowered to commit them further than this convention goes.

CHAIRMAN McLEOD: I understand that the action of this

convention is to be ratified by the organizations from whom the delegates are sent. Is that the idea?

MR. HOPKINS: So far as this convention goes. What I mean to say is this: We have gone so far as to complete an organization. You want funds to carry it on. You submit to the body that sent me here the proceedings; they concur in them and ratify your action. They want some men of money to carry it on. The body that sent me here must subscribe that money.

CHAIRMAN McLEOD: That is understood. What is your further pleasure, gentlemen?

GEORGE K. SMITH: I would like to make an announcement. The gentleman is just now leaving for the Western Passenger Association's office and if the gentlemen in the room who have certificates will give me their names I will see to it for them.

MR. C. F. WILLIAMSON: I now move we adjourn.

The motion was duly seconded.

A DELEGATE: Before we adjourn I move that a vote of thanks be extended to the Chairman for the able manner in which he has presided, and the courtesy with which he has extended the freedom of speech to all.

The motion was duly seconded, put by Mr. Bradley, and carried unanimously.

A DELEGATE: Let us give three cheers for the Chairman.

(It was done.)

A DELEGATE: I move that we extend a vote of thanks to the secretary for the able manner in which he has performed the duties of his office.

(It was duly seconded, put by the Chair, and carried unanimously.)

A DELEGATE: I move a vote of thanks be given to our temporary chairman, Mr. Bradley.

The motion was duly seconded, put by the Chair and carried unanimously.

CHAIRMAN McLEOD: A motion to adjourn is before the house.

The motion was duly put and carried unanimously.

Whereupon the convention adjourned sine die.

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## GOVERNMENT REGULATION OF RAILROAD FREIGHT RATES—CORRESPONDENCE BETWEEN G. X. WENDLING, OF SAN FRANCISCO, AND THE AMERICAN LUMBERMAN, OF CHICAGO.

Weed Lumber Co., San Francisco, Cal., Sept. 22, 1905.

Mr. J. E. Defebaugh, Editor and Manager American Lumberman, Chicago, Illinois:

Dear Sir—I am handing you herewith a copy of a letter addressed to Mr. Barns, editor of the St. Louis Lumberman. From this letter you will gather the purport of my letter to you.

I do not know what views you entertain relative to the rate-making power of the United States being handed over to a commission, that cannot be other than a political body, liable and subject to continual changes. I believe that the railway companies of the United States are generally agreed as to a rail-

way commission with power to review existing rates, and correct abuses, if any, on the part of the carrier, but none of them are willing to practically hand over their entire business to a political body, clothed with the power noted in the letter to Mr. Barns.

I will have at command in a few days a pamphlet, consisting of an address delivered before the Commonwealth Club of San Francisco, by Mr. William Sproule, freight traffic manager of the Southern Pacific Company, in which he has handled the subject herein referred to in a manner more able than anything I have ever seen in print on this important subject. I am writing you in advance of the receipt of this information to the end that I might have a line from you advising whether you would desire to give this subject wide publicity in the *American Lumberman* as it is a question of vital importance to every lumberman in the United States.

In this letter I am not presenting an argument on the question, but it may be possible that I could find time to attend the convention mentioned in my letter to Mr. Barns, the object being to meet, as far as possible, this wide and locoed stampede on the part of political agitators seeking to have Congress attend to the affairs of the public and private corporations of the country.

Situated as we are on the Pacific Slope of this Western Hemisphere, thousands of miles from the center of population, with vast resources, such as the products of the forest, orchard and field, we naturally feel that our enterprises may be seriously crippled, if not completely destroyed, should a rate per ton per mile—or any rate based even approximately on mileage as I conceive a rate formulated by government would be—be made generally effective, on account of the regions of the East being situated nearer to the center of population and having the advantage of the shorter haul and at the same time depriving the consumers of the East of our western products.

It is therefore oftentimes necessary that the carriers reach the teeming millions of the East, from the point of production in the West in a sparsely populated country struggling for existence, through the medium of low rates, as against the rates effective for the short haul from the South and North on lumber products produced as against the products from the Coast.

A line from you expressing your views somewhat briefly, will be highly appreciated. Yours very truly,

G. X. WENDLING.

American Lumberman, Chicago, October 5, 1905.  
Mr. George X. Wendling, San Francisco, Cal.:

My Dear Sir—I have your esteemed favor of September 22. The subject is of course one that must interests me, though in a purely impersonal way; for my interests are merely those of the lumbermen of the United States. I have been invited to discuss this subject by letter several times recently, and I now find it impossible to longer defer doing so.

I am anxious that whatever shall be done in the matter of railroad regulation shall be to the interest of the lumbermen, who are very heavy shippers. If the Esch-Townsend bill be to their interest I am in favor of it; if not to their interest I am opposed to

it. And I should wish the lumbermen to decide the matter in their own minds and councils according to the facts and not according to an inadequate conception or misconception of them. I confess that as yet I do not know what the average sentiment of the lumber trade is on this matter. So far as I know most of those that have taken a pronounced stand against the Esch-Townsend bill have been lumbermen who are especially close to the railroads and who in fact stand for them in this matter.

Up to this time it seems to me there is a growing misconception of this subject on the part of lumbermen, due perhaps to the influence of the railroads themselves, who profess to expect dire results if the Esch-Townsend bill or anything closely resembling it be allowed to pass.

Pardon me for saying that I seem to detect some unnecessary assumptions in your letter. You speak of the bill as turning the rate-making power of the United States over to "a commission that cannot be other than a political body liable and subject to continual changes." I recognize no necessity for the Interstate Commerce Commission being a "political body" in any other sense than that every agency of government is political, including the Supreme Court of the United States. The present commission has not been a political body in the opprobrious sense and has not been subject to continual changes. There have been a few unwise and unfortunate appointments to that body, but they have been so few that they have not seriously, if at all, affected its work.

Furthermore, I see no reason why the Interstate Commerce Commission should not be as competent as any railroad rate-making organization in existence. There are several members of the commission as at present constituted who have a broader and yet more minute knowledge of the general theory and practice of rate-making than probably any railroad man of high position that you can name. Why should they not have? They are men who were appointed for special ability, who have served for years, devoting their entire time to these subjects—more time than any railroad official above the grade of clerk has devoted to it. Why should such a body make rates as far as is necessary in the process of correcting rates proven unreasonable or unjustly discriminatory, along any different lines than any intelligent lot of railroad men would make them? If there be such a thing as a sound principle of rate-making they should be depended upon to discover and apply it, the only difference being they would apply it without the bias of personal or factional interest.

The history of the commission as shown in its decisions is reassuring so far as it goes. The commission has recognized blanket rates, higher rates for shorter distances when justified by competition or other considerations, the peculiar situation existing on the Pacific Coast, and in general has thought and acted along the lines adopted by the railroad managements of the country when those managements are considering the subject uninfluenced by what might be their peculiar individual interests.

The chief line of argument against the Esch-Townsend bill

seems to be that, given the power to make rates of its own motion, the commission will immediately proceed to exercise that power to the utmost extent. The history of its decisions does not show any such tendency. As stated above, it has done in the main only what any sensible body of the most experienced railroad men would have done with the same subjects. It has not been anxious for trouble. It has not made a practice of initiating complaints, which authority was given by the act of 1887 and not by the Esch-Townsend bill. The larger power was given merely in order that a fresh injustice or discrimination might not be introduced by changing a single rate in a group of rates without power to adjust the group. That the commission would go beyond this plain intent of the law, I do not believe, and for the reasons stated above.

In the early days of the commission it assumed power under the act somewhat approaching the power proposed to be granted by the Esch-Townsend bill, but though its members were inexperienced then and might be supposed to manifest the usual tendency of a new broom they did nothing whatsoever of the iconoclastic sort dreaded and prophesied for them if they should be given the authority proposed.

The final argument of those opposed to the Esch-Townsend bill, which is put forward as a clincher, is that it would invariably lead to a distance tariff. I am open to argument on this point, but I confess for the life of me, I cannot see it. Why should they make any different kind of tariff than any body of equally intelligent men in the railroad business, except that they would make such rates as they found necessary to make in the interest of the public and of the railroads combined, instead of in the interest of the railroads merely.

I wired you today for the printed address of Mr. Sproule. I shall take pleasure in studying it with care, for my mind is entirely open on this subject, and I am ready for reason cheerfully to change my tentative opinion; but so far the opposition to the Esch-Townsend bill seems to be expressed in a bugaboo of ingeniously horrible construction rigged up by the railroads and labeled "The Esch-Townsend Bill—Its Dire Threat and Its Horrible Result," to scare the business men of the United States. And it seems to have frightened a good many of them.

I think you understand my position as editor of this paper. It prospers as the lumber industry prospers, consequently the paper is on the side of the lumbermen on anything that is for their real interest, and opposed to anything that is opposed to their interest.

Further than that, it has a second duty to perform in seeking to develop the facts as to what the real interests of the lumber industry may be and presenting these facts to its readers. I do not presume to settle every question on earth for the lumber trade, but I like to feel that the paper and the trade are working together toward desirable ends; the motto of both should be the familiar one, "Be sure you are right, then go ahead." So far the Esch-Townsend bill, while not perfect perhaps, looks to me as being the most practicable and the wisest scheme yet devised for the settlement of this

railroad rate problem; but as I myself am of open mind on the subject, so the paper is open to the arguments of both sides, or of either side, in an endeavor to discover what the interests of the lumber trade actually are. Therefore, you yourself are invited to make use of its columns. We have extended that invitation to our readers generally, but I should particularly appreciate communications from men of your experience and standing.

If you can find it possible to come to the convention it would not be amiss for you to do so. I assure you we would be very glad to welcome you to Chicago, and besides probably no recent assemblage of business men in this city has had as lively a time as we may expect at the Interstate Commerce Convention. Of course, contending factions may get together before the body meets, adjust their differences and agree upon a plan of action, but my impression is that the only thing that can be done satisfactorily is the practical endorsement of President Roosevelt on the question. The matter will then be left to Congress.

It makes no difference what the name of the bill is when Congress gets through with it, it will probably contain President Roosevelt's notions on the subject. I have avoided unnecessary discussion on the subject, but have been free to tell you what I thought and felt regarding the subject.

Hoping to see you soon, and with kind personal regards, very sincerely yours,

J. E. DEFEBAUGH,

Editor American Lumberman.

Weed Lumber Co., San Francisco, Cal., Oct. 20, 1905.

Mr. J. E. Defebaugh, Editor and Manager American Lumberman, Chicago, Illinois:

Dear Sir—I am pleased to acknowledge receipt of your favor of the 5th, responding to my W. M. 23464, and I am glad to note that your mind is open and free to accept facts and figures in connection with the important subject under consideration, namely, that of the Congress of the United States so legislating in the coming term that the rate-making power for interstate railway lines in the United States will be delegated by that body to an Interstate Commerce Commission. If Congress had the right to delegate to a Commission its legislative functions, granted to it by the Constitution of the United States (which is a grave question and one which has not as yet been settled by any court, including the highest tribunal in the land) there might be some apparent justification on the part of those having charge of the political affairs of the country in so shaping the destinies of the nation that the United States would acquire all of the railroads. And in my opinion the ultimate destiny of the railways in this country will be the bog and quagmire of government ownership, if the rate making power is taken away from the railway companies, the rightful owners of the property.

For a complete digest of the legal phase of this question I am pleased to invite your attention to an article by Mr. Richard Olney, formerly attorney-general of the United States, appearing in the North American Review for October, 1905. The article is at considerable length, and it is not my desire to insert it here in its entirety, but will quote some of its points,

due to the fact that I wish to be as brief as possible in presenting my own individual views, in harmony, I trust, however, with the legal phase of the question.

"The English Parliament, in 1888, took up the subject of railway freight rates by an act, one of whose principal objects was the establishment of such rates on a just, reasonable and non-discriminating basis. There followed a most prolonged and elaborate investigation by a commission, which gave hearings lasting for months to all parties interested and their counsel, and which finally reported classified schedules to the Board of Trade. These were carefully considered and passed upon by the Board, were by it reported to Parliament, and in 1891, three years after the initiation of the inquiry, were by that body enacted as laws of the land.

"It is believed that rate-making for American railroads—with their mileage of about 216,000 as against an English mileage of 23,000, and serving a territory of 3,600,000 square miles and a population of 80,000,000 as against the 120,000 square miles and the 42,000,000 population of the United Kingdom—is to be undertaken with at least as much intelligence, deliberation and patient consideration as characterized the like proceeding in England, and here as there must rest for its final adoption and sanction upon the authority of the national legislature itself, and not upon that of any subordinate or administrative tribunal.

"Can such a power in Congress as the right to dictate rates to the carriers of the country—a power never yet exercised either directly or indirectly through a Commission—be justly regarded as conferred by the Constitution? If it exist, it is limited to national business—the like power in respect of intra-State or local business, if it exist, being vested in each State. But a power which it is right and expedient for Congress to exercise over national business, it is presumably right and expedient for each State to exercise over local business, and when and where Congress leads State legislatures are prone to follow. It is to be expected, therefore, that railroad rate-making by the National Government within its sphere will be supplemented by railroad rate-making by the several States within their several spheres.

"The situation to be anticipated, then, is that railroads, private properties and representing private investments aggregating billions of dollars, will find themselves controlled in the vital matter of their charges, not by their private owners, but by two public boards, one representative of local interests and the other of national interests, and both antagonistic to the interests of the private owners concerned. The two boards will aim at the lowest possible rates, each in behalf of the particular business under its charge, and will therefore be in constant rivalry with each other in the endeavor to extort from the carrier the best service at the smallest cost. Under these conditions anything like skillful, just, reasonable or stable rate-making becomes impossible. A situation is created intolerable alike to the carriers and to the public, and the sure outcome—unless the whole scheme of Government rate-making be abandoned—is government ownership.



"Government ownership of all railroads is obviously the goal toward which some of the government rate-makers are striving, while others, if not welcoming it and not working for it, profess not to fear it, and claim that it would at all events be an improvement upon the present status. Both point to existing instances of government ownership of railroads—the one claiming that the results to the public are distinctly favorable, the other that they are at least not as detrimental as is sometimes declared. But when the government ownership of the railroads is seriously considered, our dual political system is at once seen to present problems of the gravest character. The few and comparatively unimportant railroads that are wholly intra-State may be properly ignored. Every railroad of consequence is engaged in both kinds of transportation—in transportation that begins and ends in a single State, and in transportation that passes beyond State lines. Hence, if government ownership of railroads be regarded as the inevitable sequence of government rate-making—the first question is, which government is it that is to own the railroads, the State or the United States? Manifestly, it must be one or the other, since any joint ownership is both legally and practically impossible.

"The claim and answer will no doubt be that the owner must be the United States; that, though the State is as a rule sovereign within State lines, yet the Constitution and laws of the United States are paramount; that under the commerce clause of the Constitution the United States has the power to acquire and operate railroads engaged in national transportation; and that the full and beneficial exercise of this power will not be prevented, because, in order to own and operate such railroads for national business, it is necessary for the United States to also operate them for intra-State business.

"Thus, government ownership being an inevitable sequence of government rate-making, and government ownership and operation of State railroads being an inevitable sequence of national ownership and operation of national railroads, the question at once presents itself whether the national constitution authorizes such an extension of its functions by the National Government.

"The significance and importance of the inquiry are apparent if we remember that the railroad is only one species of highway, and that what is true of railroads must be true of ordinary highways. The jurisdiction of the National Government must be the same in both cases. If it is competent for the National Government under the commerce clause to own and operate all the great railroads of the country, it must be also competent for it to own or control and operate all the great highways of the country.

"Is it by any possibility true that the National Government has been granted any such powers—that as respects every road or street in the country which is a link in interstate communication the National Government may at its option take complete possession and control, may direct the mode of its construction, its grades, the sort of vehicles by which it may be used—may, in short, assume its entire management and opera-

tion in all the most minute details? Nothing could be more revolutionary in practice—nothing more contradictory of the views customarily held. It is necessary to consider most carefully, therefore, whether the powers in question are actually conferred on the National Government—it being conceded, as it must be, that the power can be deduced, if at all, only from the commerce clause of the constitution.

“(1). It is settled that the United States has no powers except those which are expressly granted to it and which include such minor and subordinate powers as are reasonably essential to the full and beneficial exercise and enjoyment of the grant.

“(2). The power to regulate national commerce is defined by Chief Justice Marshall as the power ‘to prescribe the rule by which commerce is to be governed’ (9 Wheat., pp. 189, 194) on the part of all persons subject to the authority of the National Government. It authorizes the United States to formulate such a rule for others, it does not authorize the United States to carry on such commerce itself. If the United States, for example, were to assume to engage in the business of importing teas, or in the business of raising and exporting grain, or in any other branch of commerce between the States or with foreign countries, its right so to do would at once be challenged and probably with entire success. The United States is a government, not a private business corporation, and is endowed with certain political powers to be used for certain political ends. From trade and commerce proper, it is excluded by the very law of its being.

“(3). But transportation is one branch of commerce, as the buying and selling of products is another. Both may be regulated by the National Government, but neither carried on by it.

“(4). It is true that opinions by Justices of the Supreme Court of the United States have in some instances contained expressions to the effect that, by virtue of the power to regulate commerce, interstate highways may be constructed and maintained by the National Government. See, for example, *California vs. Pacific R. Co.* (127 U. S., 1 p. 39). Such expressions must, however, it is believed, be regarded as obiter dicta, and certainly do not sustain the proposition that it is competent for the National Government, under its power to regulate commerce, to undertake and carry on the business of interstate transportation. Such dicta, indeed, are quite irreconcilable with the language of the court in the comparatively recent case of *Louisv. — Nashv. R. Co. vs. Kentucky* (161 U. S., 677), in which it was contended that the right of a State to inhibit the consolidation of competing railroads was an interference with the power of Congress over interstate commerce. The court said:

“‘In the division of authority with respect to interstate railways, Congress reserves to itself the superior right to control their commerce and forbid interference therewith; while to the States remains the power to create and to regulate the instruments of such commerce, so far as necessary to the conservation of the public interests.’

“This distinction between the power of the National Government to regulate the movements of interstate commerce and

its power to own and operate the instrumentalities of interstate commerce is, it is believed, sound in principle and is not in conflict with any adjudication of the national tribunal of last resort.

"(5). It was once suggested by a Massachusetts Railroad Commission that the Commonwealth might acquire and operate one of its principal railroads for the purpose of thereby regulating the operation of other railroads in respect of their charges and of their other public duties.

"(6). But Massachusetts—and the same is probably true of every other State of the nation—is unfettered by the organic limitations which restrict the functions of the United States. Further, even if the commerce clause might be so stretched as to justify the acquisition and operation of one or several railroads for purely regulative purposes, the United States would still be without constitutional authority to own and operate all the railroads of the country.

"(7) But if, for the reasons above given, the United States is constitutionally incapable of carrying on the railroad business and of acquiring for that purpose the railroads of the country, it would seem to follow that it is also constitutionally incapable of prescribing their charges for services.

"(a) It is an entirely well-settled doctrine of our national constitutional law that a constitutional limitation cannot be broken down or circumvented by the form in which a thing is done or attempted—that the judiciary will look through the form to the substance, and will invalidate any legislative or executive measure which in its substance is a breach of the constitutional prohibition. Thus, in the Income Tax cases, it was held that a tax upon the rents of real estate was a tax upon the real estate itself; that a tax upon the income of personalty was a tax upon the personalty itself; and that a tax upon income generally was a tax upon all the property of whatever nature from which the income was derived.\*

"Other illustrations of the principle are given by the Court in the majority opinion in the Income Tax cases. Thus, to tax an importer's occupation is to tax the imports, and to tax the sale of an imported article is to tax the article itself (1); to tax the income of United States securities is to tax the securities themselves (2); to tax the income of an office is to tax the office (3); to tax a bill of lading is to tax the merchandise represented (4); to tax interest on a bond is to tax the bond, not the obligator (5); to tax an auctioneer's gross sales is to tax the articles sold;\*\* to tax income from interstate commerce is to tax the commerce itself. (6)

"(b) By parity of reasoning—because 'The substance and not the shadow determines the validity of the exercise of (the)

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\*See 157 U. S., p. 581; 158 U. S., p. 618. (1) *Brown vs. Maryland*, 12 Wheat, 419, 444. (2) *Weston vs. Charleston*, 2 Pet. 449. (3) *Dobbins vs. Commissioners*, 16 Pet., 435. (4) *Almy vs. California*, 24 How., 169. (5) *Railroad Co. vs. Jackson*, 7 Wall., 262.

\*\**Cook vs. Pennsylvania*, 97 U. S., 566. (6) 122 U. S., 326; 127 U. S., 640.

power' (155 U. S., p. 698); because 'What, in fact, is property, but a fiction, without the beneficial use of it?' (158 U. S., p. 626)—a political organism which is not legally competent to own and carry on the business of national transportation is likewise legally incompetent to prescribe the charges for such transportation to the private parties who do own and carry it on.

"The rate-making power—the power to determine the charges for transportation—is the very essence of the ownership of the transportation business. Upon the exercise of this power depends the profits to get which the business is undertaken, and except for which it would not be undertaken at all. In this respect the transportation business is like any other, and the severance of the ownership of a business from the power to determine the returns from it, being impracticable in point of fact, is to be deemed also impossible in point of law.

"If it be urged that, as Congress is subject to the Constitution of the United States, any national rate-making for carriers cannot be confiscatory, the answer is plain. Rate-making for railroads is a from day-to-day affair. Their rates must vary with the varying conditions of business, which conditions are subject to rapid and wide fluctuations and may make rates which are reasonable today wholly unreasonable tomorrow. It is entirely conceivable that rates reported by a committee to one or both Houses of Congress and reasonable when so reported may become unreasonable by the time that they are acted upon by one or both Houses, or, if then reasonable, may be found unreasonable when a bill prescribing such rates is presented to the President for his signature.

"Further, whether Government rates as prescribed are or are not confiscatory and consequently illegal is a judicial question to be determined only by the judiciary. But rates reasonable when prescribed by the legislature may be found unreasonable when examined by the courts, or, if unreasonable when enacted, may be entirely reasonable by the time the courts are called upon to investigate them. Yet in either or any event the courts are limited to action upon rates already established or attempted to be, and are without power to decree what shall be the rates for the future.

"Further, as only the courts after hearing the parties can determine whether legislative rates are reasonable or unreasonable, if such rates are made effective upon enactment and the carrier adopts them and they are afterwards adjudged unreasonable, the result is that the property of the carrier is in effect taken from the carrier to bestow upon the shipper; if such legislative rates made effective upon enactment are not adopted by the carrier and are afterwards adjudged reasonable, the result is that property of the shipper is in effect taken from him to bestow upon the carrier. The same confiscatory result follows in each case, because in the one the carrier, and in the other the shipper, is without any legal redress for the wrong suffered.

"These considerations would seem to show that practical impossibility of separating the ownership of the transportation

business from the power to fix the carrier's charges—of private persons being the proprietors of the business while government assumes and exercises the right to dictate their charges and their returns from the business.

"And, as in deciding the question of the violation of a constitutional limitation the substance of things and not the shadow is taken into account, the organic inability of the National Government to own and run the national railroads of the country includes the inability to prescribe their charges the right to fix which is an inseparable constituent of ownership."

Ours is a government in both State and nation by political parties, and to political rate-making for railroads—rate-making by politicians animated by partisan motives and working for partisan ends—the objections of an economic and business character and on the score of public policy generally are as obvious as they should prove insuperable. The purpose of the present paper is to point out that, beside such objections, railroad rate-making by the National Government presents legal and constitutional difficulties of the most serious character. It raises issues which concern the division of power between the several States and the United States; which have not been fully and finally passed upon by the national Supreme Court; and which, if submitted to that tribunal half or even a quarter of a century ago, would in all human probability have been determined adversely to the jurisdiction of the General Government."—Richard Olney.

In harmony with the quotations from Mr. Olney's pen, I am convinced that the power specifically limited, and clearly defined in the Constitution of the United States, never granted to Congress the right or authority to take property from one citizen and pass it over to another, which would certainly be the case if Congress or an Interstate Commerce Commission sought to establish railway rates for the carriers. For, "the United States," as Mr. Olney truly says, "is a government and not a private business corporation and is endowed with certain political powers to be used for certain political ends. From trade and commerce proper, it is excluded by the very law of its being. Transportation is but one branch of commerce, as the buying and selling is another. Both may be regulated by the National Government, but neither carried on by it."

A railway corporation, whether it be for the operation of a five-mile line of road lying two and one-half miles in one State and two and one-half miles in another, and necessarily of small capital and no doubt inferior operation, which in all probability would never be sought out by the politicians of the country in an effort to regulate their affairs through the medium of a railway commission, or whether it be a road 5,000 miles in length, worth \$200,000,000, the fact still remains that the stock is in all probability generally held by a number of people, in some instances a large number and sometimes a smaller number, who have their money invested in the railway purely for the purpose of realizing a fair profit on their investment, in harmony with State and National law governing corporations generally.

It seems that the public mind has been shaping toward an attack on the larger corporations, rather than the smaller ones, probably on account of the accumulations of wealth—the result of a large number of individuals having invested their savings and capital. My contention is that the large corporations, in these modern times, are beneficial to the nation rather than detrimental, in that, through the medium of large capitalization, corporations are enabled to employ the most modern and effective machinery, and the natural forces of competition existing throughout the nation put all of the operators on their metal to produce the best article at the least possible price, providing a fair margin, and my observation of the commerce of the country, ranging over a period of a quarter of a century, convinces me that never before in our history, or in the history of any other country, has so much of the world's excellent goods been offered for sale at such extremely low prices.

In support of the statement that large corporations are beneficial to society, I submit the natural desire of our people generally to produce better and larger cattle, hogs, horses, or for that matter, potatoes, or other root plants, and flowers; and even man is seeking athletics to improve height and weight, and through our schools and educational advantages, to improve, expand and broaden in his mind. We have seen in the last few decades the locomotive grow from a small light machine, drawing a few cars on an inferior roadbed with light rails, to the modern steam giant of a quarter of a million pounds weight, annihilating time and distance, hauling long trains of hundred-thousand pound capacity cars, over superb roadbeds laid with massive steel. And likewise we see growth and expansion in all things, including the ships in the ocean-carrying trade, where we observe the modern steel ships of 30,000 tons displacement, so strongly built that life and property as a cargo are considered as safe as if the transit were by land. Contrast this condition of modern improvements with the raft employed by primitive man and the problem is fully before you.

To my mind these evidences of growth are perfectly natural and mark as nothing else can, the mental, social and commercial progress of our race.

Relative to your statement that you see no good reason why an Interstate Commerce Commission would not be as competent as any of the railway rate-making organizations in existence, I desire to call your attention particularly to the fact that in order to receive an appointment as railway commissioner of the United States, the person seeking such appointment must of necessity not have one dollar invested in a railway company, on the ground that the Commissioner must be in position to do substantial justice to the shipper and the carrier; because if he were interested in any railway company in the nation he would naturally be disqualified.

Can it be possible that the people of the United States want seven, or in fact any number of well selected, able, conscientious and honest men to sit in Washington and undertake to do the work of making the railway rates for the United States? Do they realize that in this vast and herculean work there are

today engaged a small army of traffic and freight men supported by thousands of subordinates, each and every one of them diligently engaged in studying the local conditions, as well as the conditions of communities more remotely situated, yet a part of their operations, and these also assisted, I may say, by the shippers throughout the country presenting subjects to them for consideration? Statistics show that rates have been modified successively, until at the present time, the railway tonnage of the United States is hauled by the carriers at something less than 50 per cent of the rates charged by lines in foreign countries, for similar service.

Of the Interstate Commerce Law becoming effective in 1887, Judge Thomas M. Cooley, Chairman of the Commission, in his first annual report, said:

"The Commission would in effect, be required to act as rate makers for all the roads and compelled to adjust the tariff to meet the exigencies of business, while at the same time endeavoring to protect relative rates and equities of rival carriers and rival localities. This, in any considerable State, would be an enormous task. In a country so large as ours and with so vast a mileage of roads, it would be superhuman and the construction of the statute which would require its performance would render the due administration of the law altogether impracticable, and that fact tends strongly to show that construction could not have been intended."

Judge Cooley evidently had in mind when he wrote that paragraph in his first annual report, that the rates of today are not the rates of tomorrow, and that the necessities for meeting conditions are largely local and that traffic officials operating in intimate harmony with the shippers on the ground (with whom the necessity for modifying rates is always discussed), are the only persons competent to handle questions of this complex nature. In this same connection it must be observed that the products in one locality, on account of climatic conditions and distance from markets, may possibly give one carrier superb natural advantages, that enable them to carry products to adjacent markets at rates highly remunerative, whereas another line carries similar commodities greater distances and under less favored natural conditions under a low rate per ton per mile, and at the same time enjoys a fair degree of prosperity.

It can readily be seen that a Commerce Commission with headquarters at Washington, is totally unable to handle affairs of this character with that elasticity and promptness so necessary to successful commerce. In our western country it is oftentimes the condition, that vast regions suffer from prolonged periods of drought, at which times it is necessary for the carriers to transport several hundred thousand head of cattle from the stricken districts to the pasture fields in other favored localities. Under such conditions it would be necessary for our people from the west to visit the Interstate Commerce Commission at Washington and present the situation to them,—they having no direct interest in either the cattle or the transportation, would in all probability stand upon the rate per ton per mile as fixed, and if they sought to provide relief the minutiae necessary to the

carrying out of the undertaking would in all probability be so hampered by Government red tape that before effective relief could be provided the cattle would have perished and the owners become bankrupt. This, of course, is only one of the innumerable cases that might be cited.

Granting the rate-making power to a political commission virtually means that the Government enters private property, prescribing the income without being responsible for expenses arising from innumerable sources and subject to wide variation. This right on the part of the Government to so enter private property and dictate earnings, we are told, is based on the claim that the railroads are quasi-public corporations to whom is granted the power of eminent domain. But eminent domain merely grants the right of condemnation to a narrow strip of property necessary to the creation of an artificial artery of commerce, and I submit that in nearly every case where the law has been invoked, in the damages as found by the judge and jury, the railway company has paid handsomely for the privileges granted. Hence all this agitation about eminent domain, is loose talk on a subject little understood by the general public. Instead, this is a limited right, capable of being enjoyed by any number of good and worthy citizens, who desire to hazard their private fortunes by organizing themselves into a railway company, and paying for property their line may traverse at rates fixed by the courts and juries.

I have heard it stated that rate regulation by the Government is absolutely necessary to the prosperity of the manufacturer, shipper, jobber and consumer. Would it not follow as a natural consequence if the carriers' income were fixed by those not personally interested in the cost of service, that shippers would seek the minimum of price for the maximum of service, thus bankrupting the railroads of the country. Pause and think a moment of the vast wealth of the people of our country invested in our railroads, aggregating as it does about \$16,000,000,000, and that the securities arising from this gigantic investment are in turn the basis upon which the general public are carrying a financial load of perhaps \$14,000,000,000 in borrowed money.

Thus it will be seen that thirty billions of dollars of national wealth are invested in the most important industry of the country, and to so legislate that this vast community asset would be jeopardized, could only result in national distress.

Unless there is in the process of development at this time a new type of our race, who will be ready for immediate service, and capable of accomplishing superhuman results immaculately pure, we will not be safe in venturing on this dangerous experiment, for under present conditions the highest type of commercial intelligence may be found among the traffic men of the nation, and inefficiency on the part of a general freight agent is quickly followed by a new appointment of some capable man who has worked his way to the top by faithful and intelligent service.

No such penalties are visited on political life appointees who may blunder and yet share none of the responsibilities that follow in the wake of dilatory efforts.



Thus, the insolvency of a railroad does not deprive them of their incomes, or lose them their places, as they would be held accountable only for the honesty of the physical transactions coming directly under their respective daily routine.

But to the traffic official is presented the difficult task of seeking ample tonnage to employ equipment representing vast investments, at rates necessarily attractive to shippers, yet sufficiently remunerative to provide the cost lien of operation, general expense, interest on investment, a sinking fund for the redemption of bonded indebtedness, plus a fair revenue, such as is common to any other enterprise. And I submit that no railway commission however wisely chosen is competent to deal with these complex questions at long range for the various railway companies operating throughout the nation.

The manner of how governmental efforts work when applied to ordinary transactions is conveniently observable in a brief and simple review of our efforts to build the Panama Canal. About seventeen months have now elapsed since Congress purchased the right to dig the canal, for which initial step we paid forty million dollars and took possession. "To date we have spent six to seven million dollars, had two commissions, two chief engineers, endless rows over the purchase of materials, and shippers, East and West, sorely disappointed on account of the overloading of a formerly efficient servant—the Panama railroad." Thus far, with all of the forceful energy of our able and fearless President, the policy under which the canal is to be built has not yet been defined, and in the absence of such definition, as far as the public knows, we have practically stopped active work. Such methods, though confessedly about the average for any Government, would destroy and bankrupt any ordinary enterprise conducted by private corporations.

After a general review of the question under consideration I am unable to find a reason why an Interstate Commerce Commission would be made up of material differing much from any other commission, as in either case the ablest material for the place to be filled is sought, and let us hope, generally secured, but the problems are too vast and the commissioners lose themselves in the labyrinth of conflicting conditions. We might pursue governmental efforts in seeking to conduct commercial transactions into the Postal Department, where the best guess possible is made in the effort to fix an accurate appropriation covering the nation's requirements in handling the mails, yet showing up annually a deficit ranging up in the millions, and an abundant surplus of scandals and investigations. Or, like the Agricultural Department, spending vast sums gathering unreliable crop and weather reports, and piling up the deficit for the Postoffice Department by mailing a vast tonnage of reports that find their way into the waste baskets, and sending garden seeds through the mails to Rocky Mountain and desert regions where only the jack rabbit and train robber can survive. But in the densely populated regions of the East, things thrive. The Attorney General of the United States in his last report states that "under regulations prescribed by law, the District Attorney for the southern district of New York, during the last four years has

received in fees, in addition to a large salary, the sum of two hundred and nineteen thousand dollars."

Is it a wonder therefore that the business interests of the country stand aghast and marvel that an effort is being made to fasten permanently on the commerce of a country, more highly prosperous than any other nation on the globe, a new form of political paralysis, inefficiency and incompetency. Private enterprise stands for thrift, and where the industrious are rewarded for their efforts fairly the successes achieved constitute a stimulus to further effort.

Another sample of Government inefficiency may be seen as applied to transactions affecting the individual having business with the Land Department. The Government appoints the ablest men available as Receiver of the Land Office for a given district, the citizen takes up a claim (so-called), complies with all the legal requirements under the direction of the Receiver, pays the full price and receives a Receiver's receipt; then if he (or she, as the case may be) are young and vigorous when final proof is made—the party may actually live to receive a United States Patent, from one to seventeen years later.

These citations are presented to indicate the endless and destructive delays attending governmental procedure, and this condition can perhaps not be materially altered by this or any other nation, hence governmental methods should not be applied to our daily transactions. What the commercial interests of the nation want and must have if they are to prosper is freedom of action, under the protection of a strong government, whose principal object is the enforcement of honest contracts between citizens, thus permitting the people to work out the great problems confronting them in harmony with sound and safe principles. Thus the question again forces itself to the top, will we progress? "Hope says yes, but reason says perhaps."

In the limited time at my command I am unable to find in the world's history a case where a nation has fixed by law, rigidly, rates for the transportation of persons and commodities on rivers and lakes, or where nations have sought to fix international freights and fares for corporations engaged in the ocean-carrying trade.

A case in point serving to illustrate the reverse view comes to my notice in the operations of the Oregon Railway & Navigation Company, operating a line of railway in northern and eastern Oregon to Portland, Oregon, thence transporting such tonnage as may be destined to cities situated on the seaboard, north or south, or for that matter off shore, in their own ships. The rate covering transit by rail is sought to be fixed by law, but when the same commodity enters the same company's ship, and the ship departs, she does so under terms made freely, and at rates agreeable to both carrier and shipper, and I submit that the natural competition existing between the carriers on rivers, lakes and oceans makes rates sufficiently attractive to warrant shippers in employing the service, and if not the natural remedy is the organization of another shipping convenience by the shippers.

The argument responsive to this view is freely made, that

in the case of water transit competition is free and unrestricted, but that in the case of transportation by rail the railway companies control the road-bed in their own interest. This is unquestionably true, and should naturally be so, the owners having provided the necessary capital and, therefore, entitled to the results arising from their investments.

Would the same condition not apply to water transportation if a steamship company should build at their own cost and expense a canal of several hundred miles, paying for the right of way as fixed by the courts? Should they not have the exclusive use of it, and what law founded on equity and justice would deny their rights? It would not follow, however, that the public should employ such canal service unless found advantageous, and to my mind each method of transportation should enjoy full protection under the law on lines similar to those granted to other general corporations and individuals, without special favor to either. But on the "trackless ocean" all may sail ships with entire freedom, none having investments other than in the ships themselves.

I think we may safely stand upon the resolution passed by the Trans-Mississippi Congress at its session in Portland, August 16-19th, last, for a solution of the rate regulation problem:

"We insist upon the rigid enforcement of existing laws as the proper remedy for the unmixed evil of rebates, discrimination in freight and express rates, and special privileges to private car lines, by railway companies."

Yours very truly,

G. X. WENDLING.

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## Complete List of Delegates Present at the Federal Rate Regulation Association Meeting Held in Music Hall, Fine Arts Building, Chicago, October 26-27, 1905.

- Abbott, W. R., Ft. Smith Com. Club, Ft. Smith 100,000 Club, Ft. Smith, Ark.  
 Arnot, Geo., appointed by Governor of New Mexico.  
 Aldrich, Geo. A., Hillsdale Exchange, Hillsdale, Mich.  
 Anderson, Geo. H., Chamber of Commerce, Pittsburg.  
 Anderson, Neil P., Board of Trade, Ft. Worth, Tex.  
 Akers, G. W., Gro. & But. & Bakers' Ass'n, St. Joseph, Mo.  
 Atwood, Lewis R., Louisville Paint, Oil & Varnish Club, Louisville, Ky.  
 Aldridge, T. B., Denver Retail Gro. Ass'n, Denver, Colo.  
 Allen, J. M., Mfrs. & Shippers' Ass'n, Rockford, Ill.  
 Ainsworth, A. S., Mich. & Ind. Retail Coal Ass'n, Grand Rapids, Mich.  
 Barnard, Arthur H., N. W. Hardwood Lumbermen's Ass'n, Minneapolis, Minn.  
 Batchelder, F. R., New Eng. Retail Coal Dealers' Assn', Boston, Mass.

- Bradley, Frank J., Shoe Manufacturers Ass'n, Haverhill, Mass.  
 Burks, Jr., J. W., Chamber of Commerce, Clarksville, Tenn.  
 Baker, A. J., Stove Manufacturing Ass'n, Belleville, Ill.  
 Baker, D. M., Mich. & Ind. Retail Coal Ass'n, Adrian, Mich.  
 Baker, L. K., Wis. Valley Lumberman's Ass'n, Odanah, Wis.  
 Bullard, W. C., Omaha Builders' Club, Omaha, Neb.  
 Boyd, James, Lumber Trade Journal, New Orleans, La.  
 Bertolet, W. M., International Council of Coal Mer., Reading, Pa.  
 Brady, E. S., Baltimore Coal Exchange, Baltimore, Md.  
 Bradshaw, A. E., International Councils Coal Merchants and  
 Mich. & Ind. Coal Ass'n, Indianapolis, Ind.  
 Baldwin, J. S., New York & Pa. Ass'n, Elmira, N. Y.  
 Baird, J. H., Nashville Lumbermen's Ass'n, Nashville, Tenn.  
 Bloss, S. M., National Lumber Mfrs. Ass'n, Garyville, La.  
 Briggs, Arthur R., Board of Trade, San Francisco, Cal.  
 Black, W. F., Commercial & Industrial Ass'n, Montgomery, Ala.  
 Bernardin, F. M., Mfrs. & Merchants' Ass'n, Kansas City, Mo.  
 Blakeney, W. J., National Ass'n of Mfrs., Dayton, O.  
 Bayless, F. C., Chamber of Commerce, Holtville, Cal.  
 Brownfield, F. J., Dawson Co. Board of Trade, Lexington, Neb.  
 Ball, G. A., Ball Bros. Glass Mfg. Co., Muncie, Ind.  
 Barber, C. W., Mfg. & Producers Ass'n, Knoxville, Tenn.  
 Bentley, F. A., National Ass'n of Mfgs., Chicago.  
 Buschow, Chas., Colby Commercial Club, Colby, Kan.  
 Barker, W. P., Ill. & Wis. Retail Coal Dealers Ass'n, Batavia, Ill.  
 Banta, T. P., Imperial, Cal.  
 Bailey, L., Madisonville Com. Club, Madisonville, Ky.  
 Brown, F. E., Bridgeport Business Men's Ass'n, Bridgeport, Conn.  
 Ball, Frank C., Ball Bros. Glass Mfg. Co., Muncie, Ind.  
 Bradley, Herbert, N. Y. Produce Exchange, New York City.  
 Barber, J. T., Nat. Lumber Mfg. Ass'n, Eau Claire, Wis.  
 Bradshaw, Jas. B., Commercial Club, Minneapolis, Minn.  
 Bettendorff, J. W., Iowa Mfrs. Ass'n, Davenport, Ia.  
 Barnett, A., Commercial Club, McCook, Neb.  
 Browne, M. W., Wholesale Grocers' Club, Las Vegas, N. M.  
 Beek, Jos. H., St. Paul Jobbers & Mfg. Ass'n, St. Paul, Minn.  
 Baker, George, Frankfort Business Men's Club, Frankfort, Ky.  
 Becker, Jno. H., Real Estate Exchange, Plattsmouth, Neb.  
 Burchfield, A. P., Chamber of Commerce, Pittsfield, Mass.  
 Bott, Peter J., Board of Trade, La Crosse, Wis.  
 Bartlett, C. B., Southern Ohio Export Ass'n, Cincinnati, O.  
 Brown, Clarence, Toledo, O.  
 Beretta, I. W., Oakland Board of Trade, Oakland, Cal.  
 Bertschy, C. J., Milwaukee Brewers' Ass'n, Milwaukee, Wis.  
 Bulkely, M. G., Hartford, Conn., State Board of Trade.  
 Collins, H. C., Jackson Coal Exchange, Jackson, Mich.  
 Crandall, F. E., N. W. Ret. Coal Dealers' Ass'n, Mankato, Minn.  
 Clark, John A., N. W. Imperial Club, Merchants & Mfgs. Ass'n,  
 Stockton, Cal.  
 Clark, L. A., Commercial Club, Muncie, Ind.  
 Craft, John, Commercial Club, Mobile, Ala.  
 Coles, A. P., Chamber of Commerce, El Paso, Tex.  
 Cutler, F. E., Board of Trade and Commercial Club, Waterloo, Ia.  
 Cather, Z. S., Cal. Pine Lum. Mfg. Ass'n, San Joaquin Ret. Lum.  
 Dealers' Ass'n, San Francisco, Cal.

- Case, J. B., Commercial Club, Abilene, Kan.  
 Carkener, G. S., Board of Trade, Kansas City, Mo.  
 Chrisam, C. H., Ia. & Neb. Coal Dealers' Ass'n, Council Bluffs, Ia.  
 Crane, M., N. W. Retail Coal Dealers Ass'n, Cooperstown, N. D.  
 Colpetzer, F., Commercial Club, Omaha, Neb.  
 Cornelius, Jr., W. R., Nash. Gr. Dealers Exch., Nashville, Tenn.  
 Comerford, Jno. J., Mich. Lum. Dealers' Ass'n, Detroit, Mich.  
 Cooper, J. W., Jobbers & Mfrs. Ass'n, St. Paul, Minn.  
 Carson, Wm., Commercial Exchange, Burlington, Ia.  
 Cook, C. W., Commercial Club, Albuquerque, N. M.  
 Caldwell, F. H., Manufacturers' Association, Chattanooga, Tenn.  
 Cooledge, E. R., Southern Lumberman, Chicago.  
 Calvert, Geo. T., International Council of Coal Merchants, Detroit, Mich.  
 Cownie, J. H., Commercial Club, Des Moines, Ia.  
 Copenhaver, Geo. C., Carriage Builders' Ass'n, Denver, Colo.  
 Carpenter, E. J., Cal. Box & Lum. Ass'n, Minneapolis, Minn.  
 Chambers, W. A., Chamber of Commerce, Clarkesville, Tenn.  
 Clendenning, E. M., Commercial Club, Kansas City, Mo.  
 Crowell, S. B., Retail Coal Merch. Ass'n, Philadelphia, Pa.  
 Cocke, Lucian H., Under Commission of Gov. to represent 6th Cong. Dist. of Va., Roanoke, Va.  
 Chauncey, H. Carter, Muncie, Ind.  
 Comforth, Harold, Maryville Chamber Commerce, Maryville, Cal.  
 Drake, H. C., N. W. Mfrs. Ass'n, St. Paul, Minn.  
 Davis, Edw. H., Natl. Ass'n of Mfrs., Indianapolis, Ind.  
 Dugane, W. A., Business Men's Ass'n, Cedar Falls, Ia.  
 Dryan, J. T., Lincoln, Neb.  
 Dunlap, G. T., San Jose Chamber of Com., Santa Clara, Cal.  
 Donovan, Jno., So. St. Jos. Livestock Exch., St. Joseph, Mo.  
 Dietrich, C. H., Commercial Club, Hastings, Neb.  
 Dudley, R. H., Jr., Chamber of Com., Nashville, Tenn.  
 Dorten, A. F., Pa. Retail Coal Dealers' Ass'n, Bethlehem, Pa.  
 Dean, W. B., Jobbers & Mfrs. Ass'n, St. Paul, Minn.  
 Davis, R. F., Long Bell Lumber Co., Kansas City, Mo.  
 Durkee, J. H., S. W. Interstate Coal Operators' Ass'n, Kansas City.  
 Detrick, E. J., Building Exch. League, Pittsburg, Pa.  
 Douglas, Samuel G., Grain Exchange, Nashville, Tenn.  
 Defebaugh, E. H., Eastern Cigar Box Mfrs. Ass'n, Louisville, Ky.  
 Dain, Jos., Commercial Ass'n, Ottumwa, Ia.  
 Dunlap, J. P., Chamber of Com., Clarkeville, Tenn.  
 Davenport, Daniel, Bridgeport Bus. Men's Ass'n, Bridgeport, Conn.  
 Dodge, O. V., Commercial Club, Kansas City, Mo.  
 Dixon, W. G., Fullerton Bd. of Trade, Fullerton, Cal.  
 Elwood, H. C., Cham. of Commerce, Buffalo, N. Y.  
 Evans, L. J., Cham. of Commerce, Napa, Cal.  
 Estes, P. M., Chamber of Commerce, Nashville, Tenn.  
 Ethridge, W. N., From Gov., Meridian, Miss.  
 Eichelbridge, Geo. A., Cleveland Garment Mfrs. Ass'n., Cleveland, O.  
 Egloff, M. C., Bus. Men's Ass'n, Cedar Falls, Ia.  
 Edwards, M. J., Wis. Mfrs. Club, Madison, Wis.  
 Eaton, Jno. A., Merchants' Club, Kansas City, Mo.

- Eddy, W. L., Saginaw, Mich.  
 Estopinel, Adam, St. Bernard, La.  
 Endress, W. F., N. Y. & Pa. Ret. Coal Ass'n; Nat. Hay Ass'n, Jamestown, N. Y.  
 Elliott, James, I. T. Coal Operators' Ass'n, So. McAllister, I. T.  
 Eastman, I. P., Lebanon Co. Ret. Ass'n, Lebanon, Pa.  
 Frizzell, C. F., Ret. Merchants' Ass'n, Nashville, Tenn.  
 Field, W. M., Cannery League of Cal., San Francisco, Cal.  
 Fuller, H. B., Mo. Mfgs. Ass'n, St. Paul, Minn.  
 Fowler, F. J., Waterloo Board of Trade and Com. Club, Waterloo, Ill.  
 Fahey, W. H., Com. Club of Perry, Perry, Ia.  
 Farmer, J. O., Merchants' Ass'n, Hannibal, Mo.  
 Foster, E. W., Ret. Merchants' Ass'n, Nashville, Tenn.  
 Flotron, J. R., Dayton Receivers & Shippers' Ass'n, Dayton, O.  
 Fleming, F. W., Merchants & Mfrs. Ass'n, Kansas City, Mo.  
 Freeman, Chas. G., appointed by Governor of Michigan.  
 Garvin, H. C., Chamber of Com., Minneapolis, Minn.  
 Gregory, Geo., Coal Dealers' Ass'n, Ia. and Neb., Marshalltown, Iowa.  
 Gladding, N. A., Am. Hardware Mfgs'. Ass'n, Indianapolis, Ind.  
 Goldthelm, Geo., South Bend, Ind.  
 Glass, W. M., Commercial Club, Omaha, Neb.  
 Gordon, I. S., Board of Trade, Indianapolis, Ind.  
 Gaulden, Martin, Kansas City, Mo.  
 Gish, S. J., Commercial Club, Central City, Ky.  
 Goodman, W. M., Commercial Club, Knoxville, Tenn.  
 Greef, C. E., N. W. Lum. Ass'n, Eldora, Ia.  
 Gelott, R. B., Merchants' Protective Ass'n, LaCrosse, Wis.  
 Goodnow, W. C., Minneapolis, Minn.  
 Garvin, A. C., Winona, Minn.  
 Goodyear, C. W., Buffalo, N. Y.  
 Gates, J. E., Ill. & Wis. Ret. Coal Dealers' Ass'n, Jacksonville, Ill.  
 Garrabrant, L. C., Retail Merch. Ass'n, Nashville, Tenn.  
 Green, H. J., Business Men's Ass'n, Decora, Ia.  
 Geoghegan, appointed by Governor of Utah, Salt Lake City.  
 Hammond, J. M., Coal Exchange, Flint, Mich.  
 Harris, R. F., Coal Dealers' Ass'n, Ia. & Neb., Omaha, Neb.  
 Hamilton, S. M., International Council of Coal Merch., Dunkirk, N. Y.  
 Hammer, G. L., Commercial Club, Omaha, Neb.  
 Huttig, H. W., Representing Ia. Mfgs. Ass'n, Muscatine, Ia.  
 Hughs, J. A., N. Y. & Pa. Coal Ass'n, Jamestown, N. Y.  
 Hughes, Jas. D., Coal Exchange, Baltimore, Md.  
 Hay, Jno. C., Western Ontario Ass'n, Listowel, Ont.  
 Halstead, C. R., N. E. Ret. Coal Dealers' Ass'n, Springfield, Mass.  
 Hall, J. S., Commercial League, Monticello, Ia.  
 Heather, H. C., Business Men's Ass'n, Palmyra, Mo.  
 Hinkle, C. D., Board of Trade, Santa Cruz, Cal.  
 Hubbard, A., Spencer Imp. Club., Spencer, Ia.  
 Hixon, F. P., Board of Trade, LaCrosse, Wis.  
 Hodges, J. R., Covina Merch. & Mfgs. Ass'n, Covina, Cal.  
 Hume, L., Chamber of Com., Nashville, Tenn.  
 Hunter, B. J., 1410 Fort Dearborn Bldg., Chicago, Ill.

- Huntsinger, G. M., 1410 Fort Dearborn Bldg., Chicago, Ill.  
 Hod, Calvin, Business Men's Ass'n, Emporia, Kan.  
 Hull, D., Ill. & Wis. R. C. D. in Nat. Council, Oak Park, Ill.  
 Hamilton, S. M., International Coal Merch. Ass'n, Dunkirk, N. Y.  
 Harlan, J. M., Com. Exchange, Indianola, Ia.  
 Harl, D. F., Gro., Butch. & Bakers' Ass'n, St. Joseph, Mo.  
 Howes, S. A., Mich. & Ind. Ret. Coal Ass'n, Battle Creek, Mich.  
 Horley, Peter P., Brawley Farming Co., Brawley, Cal.  
 Hopkins, W. M., Minn. Chamber of Com., Minneapolis, Minn.  
 Hellen, C. D., Com. League, Webster City, Ia.  
 Hare, C. H., Oskaloosa, Com. Club, Oskaloosa, Ia.  
 Hayden, J. F., Secy. N. W. Hardwood Lumbermen's Ass'n, and  
 Miss. Valley Lumberman, Minneapolis, Minn.  
 Hall, Dr. Robert W., Sanborn Com. Club, Sanborn, Ia.  
 Hobbs, Fred A., V.-P., Mich. & Ind. Ret. Coal Ass'n, Benton Har-  
 bor, Mich.  
 Hunt, Thomas P.  
 Howard, F. Mason, Chamber of Commerce, Buffalo, N. Y.  
 Hogan, Hugh, Oakland Board of Trade, Oakland, Cal.  
 Hovey, S. B., Ft. Worth Board of Trade, Ft. Worth, Tex.  
 Hollis, W. G., N. W. Lumbermen's Ass'n, Minneapolis, Minn.  
 Henry, F. H., N. W. Lumbermen's Ass'n of Minneapolis, Belle  
 Plaine, Ia.  
 Humphrey, F. G., Int. Coun. of Coal Merchants, Waterbury, Conn.  
 Holmes, A. L., Mich. Ret. Lum. Dealers' Ass'n, Detroit, Mich.  
 Hayes, C. B., Mo. River Wholesale Gro. Ass'n, Kansas City, Mo.  
 Hamacher, L. D., Nat'l Hay Ass'n, Kansas City.  
 Ingram, G. C., N. W. Lum. Ass'n, Sauk Center, Minn.  
 Ing, John C., Sacramento Chamber of Com., Sacramento, Cal.  
 Irvine, Wm., Miss. Valley Lum. Ass'n, Chippewa Falls, Wis.  
 Jones, Chas. E., Omaha, Neb.  
 Jamison, Jas. H., Rep. Com. Club, Osceola, Ia.  
 Junkin, C. M., Jefferson Club, Fairfield, Ia.  
 Jones, Wm. T., Mich. Retail Lumber Dealers' Ass'n, Big Rapids,  
 Mich.  
 Johnson, E. G., Inwood Com. Club, Inwood, Ia.  
 James, J. C., K. C. Com. Club, Kansas City, Mo.  
 James L. T., Chamber of Com., Minneapolis, Minn.  
 Jones, J. H., Chamber of Com., Chico, Cal.  
 Kraft, Arthur, Mich. & Ind. Ret. Coal Ass'n, Battle Creek, Mich.  
 Kavanaugh, Wm., Pres. Ft. Wayne Coal Dealers' Ass'n, Ft.  
 Wayne, Ind.  
 Kneas, W. H., Norristown Coal Exch., Norristown, Pa.  
 Knox, Jas. D., Calton Bd. of Trade, Calton, Cal.  
 Kudop, Geo. H., for Mich. & Ind. Ass'n, Ft. Wayne, Ind.  
 Kelley, H. M., Pa. Ret. Coal Merchants' Ass'n, Harrisburg, Pa.  
 Kelly, Thos. W., Santa Cruz Board of Trade, Santa Cruz, Cal.  
 Keller, Will E., Cal. Flour Millers' Ass'n, San Francisco.  
 Kiesel, Fred J., Weber Club Com. Ass'n, Ogden, Utah.  
 Kreitz, F. P., Lexington Com. Club, Lexington, Neb.  
 Kierstead, Geo. W., Long Wall Coal Op. Ass'n, Kansas City and  
 Higginsville, Mo.  
 Kirby, J., Jr., Board of Trade & Nat. Ass'n of Mfgs., Dayton, O.  
 Kirk, R. A., St. Paul Jobbers & Mfgs. Ass'n, St. Paul, Minn.  
 Knox, Jas. W., Jacksboro Bd. of Trade, Jacksboro, Tex.

- Kelly, Jos. L., Delegate from Ninth Cong. Dist. of Va., appointed by Gov. of Va.
- Knight, F. M., Bus. Men's Club, Alliance, Neb.
- Kamrar, Webster City.
- Kaough, Wm., Ft. Wayne Coal Dealers' Ass'n, Ft. Wayne, Ind.
- Kerr, W. D., Milwaukee, Wis.
- Lovelace, F. L., Representing Niagara Falls Employers' Ass'n, Niagara Falls, N. Y.
- Lane, Chas. P., Chamber of Com., Huntsville, Ala.
- Long, Jno. W., Com. Club, Loup City, Neb.
- Lockwood, B. A., Ia. & Neb. Coal Dealers.
- Long, R. A., So. Lum. Mfrg. Ass'n, Kansas City, Mo.
- Leopold, Carl, Ia. State Mfrs. Ass'n, Burlington, Ia.
- Landrum, J. W., Mich. & Ind. Ret. Coal D. Ass'n, Terre Haute, Ind.
- Lindsay, E. A., Chamber of Com., Nashville, Tenn.
- Leslie, John, Com. Club, Minneapolis, Minn.
- Lake, Robert, International Council Coal Merchants, Jackson, Mich.
- Loughman, F. H., Black Diamond Club, So. Bend, Ind.
- Lynch, John, International Council of Coal Merchants, Albany, N. Y.
- Leiferman, W. C., N. W. Ret. Coal D. Ass'n, Minneapolis, Minn.
- Laubach, J. Martin, Ret. Coal Ass'n, Allentown, Pa.
- Lukens, Frank E., Ill. & Wis. Ret. Coal D. Ass'n, Chicago.
- Lucas, J. W., Winona, Minn.
- Lind, R., Rockford Chair & Furn. Co., Rockford, Ill.
- Mather, C. B., N. Y. & Penn. Ass'n, Elmira, N. Y.
- Moellering, C. E., Secy. Ft. Wayne Coal Exch., Ft. Wayne, Ind.
- Martin, Euclid, Com. Club, Omaha, Neb.
- Mitchell, Geo. H., Secy. N. Y. & Penn. Ret. Coal Ass'n, Mill Village, Pa.
- Miller, Walter C., Mich. & Ind. Ass'n, So. Bend, Ind.
- Morse, C. M., N. W. Ret. Coal D. Ass'n, Winona, Minn.
- Marsh, W. A., Waterloo Mfrs. Ass'n, Waterloo, Ia.
- Matson, Fred E., Mfrs. Ass'n of Indianapolis, 618 State Life Bldg., Indianapolis, Ind.
- McElwain, F. M., Natl. Hay Ass'n, Chicago.
- McIntyre, P. R., Merch. Ass'n, Hannibal, Mo.
- Marks, Milton, Railway Age, Chicago.
- Marsh, M. M., Am. Lumberman, Chicago.
- Maxwell, Jno. M., Nat. Ass'n of Mfrs., Indianapolis, Ind.
- Montgomery, G. B., Buffalo Merch. Exch.; Buffalo Lumber Exch., Buffalo, N. Y.
- Murphy, John A., LaGrange, Ill.
- Merriam, C. W., Com. Club, Topeka, Kan.
- Meissner, G. L., Crete Com. Club, Crete, Neb.
- Moore, J. H., Citizens' Alliance, Kankakee, Ill.
- Morris, R. J., Denver Retail Gro., Denver, Colo.
- Mulin, W. E. (Huntsville, Mo.), S. W. Interstate Coal Operators' Ass'n, Kansas City, Mo.
- Metzger, A., Traffic Mgr., Liquezone Co., Chicago.
- Much, C., Lincoln Com. Club, Lincoln, Kan.
- Meyer, Nathan, Pioneer Hat Works, Wabash, Ind.
- Miller, C. W., Com. Club, Vinton, Ia.



- Miller, C. W., Waverly Industrial Ass'n, Waverly, Ia.  
 McMillan, B. F., Nat. Lum. Mfg. Ass'n, McMillan, Wis.  
 Masters, B. F., Union & Lumber Sts. (Nat. Ass'n Box Mfgs.),  
 Chicago, Ill.  
 Merz, E. G., Western Cigar Box Mfg., 211 Superior St., Chicago,  
 Ill.  
 McCune, C. A., Com. Club, Des Moines, Ia.  
 McDonald, Jr., Mark L., Packers & Shippers' Dried Fruits, Santa  
 Rosa, Cal.  
 McCully, W. E., Macon Com. Club, Macon, Mo.  
 Merritt, Edson C., Merritt Fruit Co., Santa Rosa, Cal.  
 Miendel, O. J., St. Louis, Mo.  
 Moore, M. A., Ia. & Neb. Coal Dealers' Ass'n, LaMars, Ia.  
 McLeod, N. W., Nat. Lum. Mfgs. Ass'n, St. Louis, Mo.  
 Manhard, E. E., Board of Trade & Com. Club, Waterloo, Ia.  
 McIntyre, W. H., Com. Club, Auburn, Ind.  
 Meese, W. A., Moline Business Men's Ass'n, Moline, Ill.  
 Miller, L. M., Com. Club, Kansas City, Mo.  
 Moos, A. B., Com. Club & Idaho Implement & Hdw. Dealers'  
 Ass'n, Payette, Idaho.  
 Motter, Lewis, Com. Club, St. Joseph, Mo.  
 Maxwell, Com. Club, St. Joseph, Mo.  
 Meade, S. C., Merchants' Ass'n, 246 Broadway, New York City.  
 McNamara, E. J., Western Fruit Ass'n, Kansas City, Mo.  
 Mosher, Frank, Ill. & Wis. Coal D. Ass'n, DeKalb, Ill.  
 McVey, A., Com. Club, Chillicothe, Mo.  
 Mix, M. W., Mishawaka, Ind.  
 McKee, Alfred, Chicago.  
 Menefee, R. C., Kansas City, Mo.  
 Mason, F. H., Chamber of Com., Buffalo, N. Y.  
 McRaven, A. D., Boosters' Club, Meridian, Miss.  
 Nunemacher, F. C., Nat. Ass'n Mfgs., Louisville Board of Trade,  
 Louisville, Employers' Ass'n, Louisville Building Contractors'  
 Exchange, Louisville, Ky.  
 Nesbitt, H., Midstate Ass'n, Atchison, Kan.  
 Nutting, J. R., Bus. Men's Ass'n, Davenport, Ia.  
 Nelson, S., Merchants' Ass'n, Chicago.  
 Nye, W. G., Com. Club, Minneapolis.  
 Nelson, E., Cleveland, Ohio.  
 Nash, Wallace, Board of Trade, Portland, Oregon.  
 Nachman, G. H., Coal Exchange, Baltimore, Md.  
 Osborn, A. L., Nat. Lum. Mfgs. Ass'n, Oshkosh, Wis.  
 Olmsted, J. C., Com. Club, Des Moines, Ia.  
 Purnell, W. F., Jobbers' Ass'n, Sacramento, Cal.  
 Palmer, J. H., International Council of Ret. Coal Merchants,  
 Wallingford, Pa.  
 Place, W. F., Coal Exchange, Atlanta, Ga.  
 Purcell, E. B., Com. Club, Manhattan, Kan.  
 Platt, J. I., Poughkeepsie, N. Y.  
 Peatman, W. M., Com. Club, Centerville, Ia.  
 Peschmann, C. B., Business Men's Club, Decatur, Ala.  
 Pickens, C. H., Com. Club, Omaha, Neb.  
 Penney, J. E., Com. Club, New Decatur, Ala.  
 Palmer, James, Retail Mer. Ass'n, Nashville, Tenn.  
 Penick, J. A., Noxall Club, Chariton, Ia.

- Pennington, S. W., Business Men's Ass'n, Albia, Ia.  
 Parry, D. M., Nat. Ass'n of Mfgs., Indianapolis, Ind.  
 Parry, J. R., Denver, Colo.  
 Pfitsch, Chas., Chicago, Ill.  
 Paine, Asa, Com. Club, Minneapolis, Minn.  
 Palmer, Earl, Paducah, Ky.  
 Perry, W. C., Nat. Lumbermen's Ass'n, Kansas City, Mo.  
 Pierce, F. H., Com. Club, Las Vegas, N. Mex.  
 Praer, G. W., Ill. Coal Operators' Ass'n, 734 Rookery, Chicago.  
 Rhodes, J. E., Miss. Valley Lum. Ass'n, Minneapolis, Minn.  
 Rand, H. S., Burlington Lum. Co., Burlington, Ia.  
 Roos, C. D., Kan. City Millers' Club, Kansas City, Mo.  
 Rind, R. C., Rockford Chair & Furniture Co., Rockford Ill.  
 Reese, G. H., N. W. Ret. Coal Dealers' Ass'n, Minneapolis, Minn.  
 Rice, G. H., Green Bay Bus. Ass'n, Green Bay, Wis.  
 Ramsey, J. B., Bus. Men's Ass'n, Selden, N. Y.  
 Ross, C. H., N. W. Lumber Ass'n, Sioux Falls, S. D.  
 Radford, J. D., San Jose Chamber of Com., San Jose, Cal.  
 Rulofson, A. C., San Fran. Board of Trade and Mfgs. & Pro-  
 ducers' Ass'n, San Francisco, Cal.  
 Runyan, Justin A., Mfgs. & Merchants' Ass'n, Kansas City, Mo.  
 Raeburn, J. S., Coal Exch., Washington, D. C.  
 Ripley, D. C., Pittsburg, Pa.  
 Rowland, C. A., Com. Club, Tuscumbia, Ala.  
 Rogers, B. M., Mfgs. Ass'n, Belleville, Ill.  
 Robie, E. T., Placer Co. Improvement & Development Ass'n, Au-  
 burn, Cal.  
 Ryder, J. W., International Council of Coal Merchants, Kalama-  
 zoo, Mich.  
 Rosenheimer, L. D., Liquid Carbonic Co., Chicago, Ill.  
 Strunk, J. A., International Council of Ret. Coal Merchants,  
 Reading, Pa.  
 Schermerhorn, N. I., Coal Mer. Ass'n, Schenectady, N. Y.  
 Southhurst, E. L., Toledo Prod. Exch., Toledo, O.  
 Saarbach, Albert, Bolton, Kan.  
 Staebler, E. W., Ann Arbor Exch., Coal Dealers, Ann Arbor,  
 Mich.  
 Smith, H. S., Menasha Woodenware Co., Menasha, Wis.  
 Sullivan, J. T., Board of Trade and Com. Club, Waterloo, Ia.  
 Stuart, C. M. Eastern & Central N. Y. Ret. Coal Merch. Ass'n,  
 Albany, N. Y.  
 Suam, W. E., Hays City, Kan.  
 Seibert, I. B., Reading Ret. Coal Dealers' Ass'n, Reading, Pa.  
 Scull, C. K., International Council of Coal Merchants and Phila.  
 Coal Exchange, Philadelphia, Pa.  
 Smith, C. L., West End Alameda Improvement Ass'n, Alameda,  
 Cal.  
 Stearns, Edwin, Oakland Board of Trade, Oakland, Cal.  
 Sedgwich, W. B., Chamber of Com., Waterloo, Ia.  
 Smith, W. M., Pac. Coast Cereal Millers' Ass'n, San Francisco,  
 Cal.  
 Scott, G. W., Redwood Ass'n, San Francisco, Cal.  
 Smith, W. H., Com. Club, Marysville, Kan.  
 Sweet, A. T., Retail Grocers, Denver, Colo.  
 Shelden, P., Com. Club, Ames, Ia.

- Sarles, O. C., N. W. Lumbermen's Ass'n, Hillsboro, N. D.  
 Sawyer, N. W., Lynn Shoe Mfgs. Ass'n, Lynn, Mass.  
 Schnierle, Ben, Mercantile Club, Kansas City, Mo.  
 Stickney, C. W., Ret. Coal Dealers' Ass'n, Buffalo, N. Y.  
 Stine, D. O., Ill. & Wis. Ret. Coal Dealers' Ass'n, Reedsburg, Wis.  
 Sriver, W. J., N. W. Lumbermen's Ass'n, Dennison, Ia.  
 Sawyer, C. M., Com. Club, Norton, Kan.  
 Simmons, F. W., Ia. Hdwe. Jobbers' Ass'n, Ottumwa, Ia.  
 Staats, C. I., Ret. Coal Mer. Ass'n, Albany, N. Y.  
 Shevlin, T. H., Nat. Lumber Ass'n of U. S., Minneapolis, Minn.  
 Tracy, A. H., Jr., Ret. Coal Dealers' Ass'n, Buffalo, N. Y.  
 Taylor, B. U., International Council Coal Merchants, Olean, N. Y.  
 Taylor, Chas. T., Pres. N. W. Ret. Coal Dealers' Ass'n, Mankato, Minn.  
 Traxler, C. J., N. W. Lumbermen's Ass'n, Minneapolis, Minn.  
 Thompson, W. A., Interstate Commerce Law Com., Topeka, Kan.  
 Tibbs, Geo., Jobbers & Mfgs. Ass'n, St. Paul, Minn.  
 Tafft, Geo. H., Mfgs. & Merchants' Ass'n, Kansas City, Mo.  
 Torrey, Jas. H., Scranton Board of Trade, Scranton, Pa.  
 Trickett, W. F., Com. Club; Kansas City Transportation Bureau, Kansas City, Mo.  
 Thurber, F. B., Pres. U. S. Export Ass'n, 90 W. Broadway, New York City.  
 Toothaker, G. W., Com. Club, Argentine, Kan.  
 Toomey, J., 4735 Evans Ave., Chicago, Ill.  
 Taylor, H. N., Ill. Coal Operators' Ass'n, Chicago, Ill.  
 Towle, Frank I., N. W. Mfgs. Ass'n, St. Paul, Minn.  
 Tuttle, W. F., Com. Club, Kansas City, Mo.  
 Thompson, Geo. P., Lumber Exchange; N. W. Lumbermen's Ass'n, Minneapolis, Minn.  
 Turner, F. E., Wholesale Grocers, Omaha, Neb.  
 Thompson, L. W., Ill. & Wis. Coal Dealers' Ass'n, Beloit, Wis.  
 Traer, G. W., Ill. Coal Operators' Ass'n, Rookery, Chicago, Ill.  
 Upham, Fred W., Nat. Bus. League, Chicago, Ill.  
 Vetter, F. W., Buffalo Lumber Exch., Buffalo, N. Y.  
 Vinnedge, A. R., Chicago, Ill.  
 Van Cleave, J. W., Nat. Ass'n Mfgs., and St. Louis Mfgs. Ass'n, St. Louis, Mo.  
 Woldman, R., Local Exchange, So. Bend, Ind.  
 Watkins, Jno. R., Com. Club, So. Omaha, Neb.  
 Watts, B. M., Baltimore Coal Exchange, Baltimore, Md.  
 Walker, James, Coal Exchange, Philadelphia, Pa.  
 Williamson, C. Frank., Treas. Penn. Ret. Coal Merchants' Com., Media, Pa.  
 Walker, Jno., Commercial & Industrial Ass'n, Montgomery, Ala.  
 Weyerhaeuser, R. M., Miss. Valley Lumbermen's Ass'n, Cloquet, Minn.  
 Williamson, C. H., Jobbers' Ass'n, Quincy, Ill.  
 Witter, Myron D., Brawley Chamber of Com., Brawley, Cal.  
 Woodward, W. I., Nat. Tile Co., Anderson, Ind.  
 Worden, L. C., Merced Chamber of Com., Merced, Cal.  
 Wilms, Wm., Nat. Lumber Mfgs. Ass'n, 1520 Tribune Bldg., Chicago, Ill.  
 White, B. F., Commercial Club, Dillon, Mont.  
 Wyatt, M. O., Winters Board of Trade, Winters, Cal.

- Washburn, C. G., Tight Barrel Stave Mfgs. Ass'n, 169 Jackson Blvd., Chicago, Ill.
- Wendling, G. X., Cal. Sugar & White Pine Lumber Ass'n, San Francisco, Cal.
- Wilson, J. P., Com. Club, Mobile, Ala.
- Watson, W. W., Salina Com. Club, Salina, Kan.
- Wellington, E. W., Ellsworth Com. Club., Ellsworth, Kan.
- Walker, Jas., Pres. Phila. Coal Exch., Philadelphia, Pa.
- Wells, Geo. A., Ia. Grain Dealers' Ass'n, Des Moines, Ia.
- Webster, J. C., Business Men's Ass'n, Cresco, Ia.
- Whellams, C. J., Secy. N. W., Mfg. Ass'n, St. Paul, Minn.
- Weaver, E. P., Master Horseshoers' Ass'n, Denver, Colo.
- Wilbur, E. J., Waukesha, Wis.
- Wolf, Ben, Cincinnati, O.
- Wagstaff, W. J., Oshkosh, Wis.
- Williams, E. B., Boosters' Club, Meridian, Miss.
- Yegge, Fred C., Natl. Ass'n Box Mfgs., Chicago, Ill.
- Young, Frank H., Com. Club, Broken Bow, Neb.
- Yerxa, H. R., Com. Club, Minneapolis, Minn.
- Zinn, Eli L., Coal Exchange, York, Pa.
- Zizelman, Paul A., Attorney, 40 Gramercy Park, New York City.

## ..STENOGRAPHIC REPORT OF..

# Interstate Commerce Law Convention

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Meeting Held in Steinway Hall, Chicago, Ill.,  
October 26th and 27th, 1905.

The Interstate Commerce Law Convention convened at Steinway Hall at 10 o'clock A. M. Before the proceedings started, Mr. Gardiner, of Clinton, Iowa, called on the Executive Committee, saying:

"The temporary chairman requests the members of the Executive Committee to meet in the rear of the stage, back here."

The convention was called to order at 10:32 o'clock a. m. by Mr. S. H. Cowan, who said:

Gentlemen of the convention, I regret to have to report to you that Mr. E. P. Bacon, of Milwaukee, who is chairman of the Interstate Commerce Law Convention, who is the chairman of the Executive Committee of that convention and has served you in the capacity that he has, spending his own money and time so long and so faithfully—that he is unable physically to be with you today and open this meeting. He has requested by telegram and by letter that I call this meeting to order.

I have but little to say to you, except that the gentlemen who we face today are at least willing to abide by the consequences of what the Executive Committee has determined, and that they can afford, at least, in meeting in this convention, to endorse the principles announced by our great President, Theodore Roosevelt. (Applause.)

It is not a partisan meeting which I call together. It is the meeting of men who have come here without political desires or wishes, without the fear of punishment, and above all without the hope of reward except the doing of that which every good citizen ought to do for his country. (Applause.) Our convention may not be as large in numbers as it might have been had we the means of placing hundreds of delegates here; had we the money to pay for it, had we the other means of placing them here. But those of you who are here—and I personally know that it is a representative audience, a representative assembly, a representative delegation—will act for the best interests of your constituents untrammelled by those who seek to destroy the very thing which you propose to do. (Applause.)

The Executive Committee, without compensation, acting entirely for the benefit of the public, without the expectation of office, seeking no glory for themselves, but knowing that somebody must attend in some degree to the public good and look after the public weal, have devoted their time and their money, and they have found it necessary, to their regret, to require at least an endorsement, of which I have spoken, as a condition

precedent to participating in the temporary organization of this meeting, and have, according to the power vested in them at the last meeting of the Interstate Commerce Law convention at St. Louis, appointed a temporary presiding officer whom I now introduce to you, Mr. R. W. Higbie, of New York City. (Applause.)

MR. HIGBIE: Gentlemen, for the honor which you have conferred upon the lumbermen of the United States through your Executive Committee in selecting one of their number to proceed with the organization of this convention, I want to thank you. For myself I consider it a great honor to be called upon to open and to help to organize a convention composed of so many representative men from so many representative organizations.

Those of us—and I believe that all of you have been interested in this proposed legislation so long that you are thoroughly familiar with and do not in any sense underestimate the strength of the opposition with which this movement is confronted. But, gentlemen, there is one power in the United States which is still supreme. I refer to the power of public opinion as expressed through the people of this country. (Applause.) There is no power—I care not whether it is the power of the railroads or any other organized corporations—which can in the end defeat any movement which is backed up by the solid conservative public opinion of the people of this country. (Applause.)

We have been called together for a specific purpose, and that purpose is to endorse the general principle that this Government ought to exercise the power which it unquestionably has, to supervise, to regulate and to oversee the practices of the railroads of this country.

It is not my purpose to address you at further length. Again thanking you, I now have the great pleasure of introducing to you the Honorable Mayor of this city, Mr. Dunne. (Applause.)

MAYOR DUNNE: It is with great pleasure both as a citizen of this city and as the chief executive of a city of two million people that I welcome you within the doors of this city. Chicago is especially desirous of welcoming those who have met for such a purpose as this, for the discussion of great questions of public importance that affect the welfare of this country. (Applause.)

Chicago, in my judgment, is a nerve center of America. (Applause and laughter.) Chicago is a city which generally takes the initiative in the discussion of great public problems, and from this city reach out and throb out through the country the opinions of the people as expressed by men who have independence of thought and have the courage to express them. (Applause.) I know of no subject that is more important to the people of this country than the subject you are called upon to discuss here today. The question is what we shall do with the railways of this country. There are three classes of people who look at the discussion of this matter from three different standpoints. There are people in this country who believe that railroads should be run like a butcher store, or a dry goods shop, to charge one a dollar, and another ten cents. There is another class of people in this country who believe with President

Roosevelt that the great industries must be controlled by the government, and that if not controlled by the government, they will control the government. There is a third class of people in this country, that is not a small class, which is a class that is growing from day to day and they number now, in my judgment, millions of voters in this country that believe that the only way to control the railroads of this country is to do what a great many progressive countries in Europe and Australia have done, and that is, to own them. They believe that government control while on its face looks well, that when practically worked out, is a failure. My views I do not care to enter into in this discussion. I simply say that you are called upon to discuss great and vital and live issues, and while there may be difference of view among you, I know that the discussion will be carried out by you gentlemen with the amenities that prevail among gentlemen. I know you will be bound by parliamentary rules and will resort to no other methods, in the first place, because you look like a lot of gentlemen who will be governed by the amenity usual among gentlemen, and the second reason is, that it is against the city ordinance to do otherwise. I am not able, unfortunately, to give you a ride in municipal street cars at present, but I hope if you convene here next year or the year after, we will be able to tender you such a courtesy from the city of Chicago.

All we have now in the shape of municipal vehicles are patrol wagons. I trust your deliberations will be productive of much good. The public are watching this convention with a great deal of interest, and I hope you will leave behind you as a result of your discussion much that is fruitful of good to the public, and I trust you will carry away with you from the City of Chicago the most pleasant recollections.

**CHAIRMAN HIGBIE:** It is my pleasure, gentlemen, to ask Governor Campbell of Ohio to respond to the address of welcome which the Mayor of this city has just delivered to you. I take pleasure in introducing Governor Campbell. (Applause.)

**GOV. CAMPBELL (Ohio):** Mr. Chairman, your Honor and Gentlemen of the Convention: I just heard one of the press men ask who Gov. Campbell is, and I will answer him. I have been a resident of Ohio for a short time, for only eighteen months, and I am now an editor of a daily paper in Dayton, Ohio. I was formerly a railroad commissioner for the State of Iowa for twenty-six years. I have been engaged in this fight since 1870 against the railroads. That is my record, and I want to give it to you. (Applause.)

In behalf of this representative convention I have been called for a few minutes to accept the freedom of this city and the welcome tendered by his Honor the Mayor to this great representative body of men, who come here representing not corporations, who come here on their own responsibility from different institutions that send them here, who come here representing a great principle, who come here to a great convention, to express the feelings and the intentions of the business men of this Nation on this great question of rates. We accept the freedom of this city, your Honor, and will try to make ourselves at home here.

We came here, we are not here for any other purpose except one purpose, and that is laid down in the call and that is to endorse the position of the President upon this great rate question. (Applause and hisses.) It is extremely unfortunate that the great corporations of this country have seen fit to come in here and interfere with the deliberate intentions of the people of this country. (Applause.) It is a great mistake, a great mistake to interfere with the people when they ask for what they are actually entitled to, and that which they are determined to have, that is, as the President of the United States says, fair play. (Applause.) That is what we want and what we are going to have.

We are glad to come to this great city of Chicago, the center of this great Nation, the great representative city that is so vitally interested in this great question perhaps more than any other city on the globe. West of this city is a great empire of people that are all bound and bearing a tariff of high rates and extortion and the great discrimination of the great corporations of this country. (Applause.)

We have with us today here people from California, where they are almost shut out from the markets of this great East and where the crops often rot because they cannot move them because of the high rate, while we people in the East are hungry for the products of the West. (Applause.)

This city today is vitally interested in this question, for I tell you that the discrimination against Chicago and against the West are turning the traffic of the whole West to the Gulf for an outlet, and this city will lose these products of the West, and is losing them, and consequently it is interested in this matter. (Applause.)

That is one thing which we wish to do, to get the people of this city with us, in order to give this city rates which are not extortionate, to deliver it from rates that have driven the great grain interests to go to the Gulf to seek an outlet, or else to go away around by the way of the Soo route, and the result is that this great Nation is virtually controlled by these corporations on account of the discriminating rates that have compelled the people of the West to seek an outlet.

While the producers of the West have been at the mercy of these great corporations, this city has gradually drifted into the hands of men who are connected with the corporations. They are not here today. They have left this city on account of the action of the courts. Some of them are under indictment today for they have interfered with the rights of the people in this matter of rates. Some of them are under indictment today because they have undertaken to take the products of the West and driven them in an unlawful manner, have taken them and robbed the producer of what belongs to him. This condition must be remedied by the people of this city, and the commercial part of this city must awaken to the fact that if the city is to hold its position as the great commercial city of the West, they must meet the producer on this great question of rates, and regulate the lines of transportation. We come here to impress upon you



the fact that this great rate question is of vital interest to you if you desire to keep up your communication with the West, with the great producers of the West that are interested in low rates.

We accept the hospitality that has been given to us by this city of Chicago, the city of two million people, with its great manufacturing plants. This rate question has driven all the great packing interests of the West into this city. In the State of Iowa I was commissioner, railroad commissioner of that state, and at that time we had twenty-two packing houses. Today we have only three or four packing houses. They were simply crushed out by the discriminating rates and their doors were closed, and today we ship our hogs and cattle to Chicago, and then we have them shipped back to us again for consumption, and we have to pay the freight both ways. This is one of the evils that we have met to remedy today, in order that we may have a fair show in this fight for rates.

Now, gentlemen, this convention has met today to endorse the position of the President. The greatest mistake that could be made by the corporations is for the corporations to fight the President, on this question. That is the greatest mistake that could be made. There is nothing more reasonable than the position that the President has taken upon this question. I believe that the people of this country want to go further than the President does, and while I do not agree myself with my friend the Mayor in his position on Government ownership, we must have Government control in this country of these great corporations, or the people will take this question in their hands and go further than we would want them to go. (Applause.)

The position of the President upon this question is moderate. He does not go so far as I want him to go on this question. But he has my earnest, hearty support, because he is honest and earnest in his effort to protest the people and to give them the right that they are entitled to under the constitution and the laws of this country. (Applause.)

When these great corporations were first founded, the Government and the people in the States gave them millions and millions of acres of public lands to enable them to build the great lines of transportation, and they conceded the right of the public to control. You will find it engrafted in the law of these states, you will find a clause conceding to the people the right to control these great corporations. Today they deny that right. Today they deny the simplest question of control. Today they say to you that if you want to control these railroads, you are a socialist. If that is socialism, count me a socialist. (Applause.)

I have no sympathy with socialism, but I feel, fellow citizens, that we have got to be masters of the situation, or the corporations will control this country more completely than they are today. They have absolute control today of this Nation, so far as the lines of transportation are concerned. What have you in the way of interstate power, gentlemen, to control? The Congress of the United States ten or twelve years ago, constituted the Interstate Commerce Commission, and put in that law a clause which was supposed to give the commission the power

to control rates. That was accepted by the railroads of this country, and under that, for ten years they exercised the functions of that law, and we thought that they had the power to control corporations; but it came unto the knowledge of some of the corporate men that they could impair that right and destroy that right. They went into the United States court, and it was found that the commission did not have the power under that interstate commerce law to control rates. The gentlemen fall back upon it right now, and they claim that there is no power to control rates, and that they are not willing to give to any five men they say, or to any delegates body of men who are not experts in the railroad question the right to make these rates. That is the position. They will not concede even the position that they had years and years when this commission was supposed to have that power and acting under it, when the whole nation acquiesced in it, when the corporations conceded that the commerce commission had that power. They are not willing now to accept that and return to that position which the President urges in his message to Congress, that this commission—the power to that commission that they formerly exercised, and that was conceded by this whole nation to be a right and proper function that they had at that time—proposed to have at that time and exercise.

That is what we are here for today, to urge that the former position and law—supposed law in this country, be embodied there, and that that power be granted to the Interstate Commission over these rates.

That is a very, very moderate exercise, gentlemen, of the functions that the people have. These great corporations are supreme at this present time when the people of this country ought to be supreme. Now, the question is, whether we are going to stand by the President. Is a convention of representative men who have come here with a fixed purpose; that is, to vindicate the President upon that question and to back him up by the moral influence of all these great representative bodies reaching from ocean to ocean, and lake to gulf; and to announce in this convention that they are for the President on that question first, last and all the time, and that they propose to back him up. (Applause.)

We are here, gentlemen, today from principle, not for perquisites and passes. (Laughter and applause.) We are here for the public interest, not to subserve private interests. We wear nobody's collar; we have nobody's passes in our pocket. (Applause.) We have paid our railroad fare. We bear our own expenses, and that is the trouble with this convention. We are here without money and without price. (Laughter.) But, gentlemen, I read in your faces a fixed determination to do your duty regardless of threats of punishments or of future rewards. I see in the faces of this representative body here men who have at heart the interests of this whole people and the prosperity of the commerce of this great nation. And I want to say to you today that we have to face—we stand face to face against thirteen billions of property represented on the other side—thirteen billions

of property, bonds, stocks and railroad property estimated by the United States government at thirteen millions of dollars. Think of the power in the balance against the common American citizen. (A Voice: "Thirteen billions.") I mean thirteen billions of dollars—what did I say? Thirteen billions—that is what is in the balance on one side, and on the other side the sovereignty of the people, which is greater than all the wealth and all the corporations and which will eventually in the end triumph on this great question. (Applause.)

Gentlemen, in conclusion, I want to say on behalf of the delegates to this convention to his Honor, the Mayor of Chicago, that we accept his hospitality. We will try to behave ourselves while we are here. We are no rump convention. We are not the tail end of anything. We are the head and front of a great movement here (laughter and applause) and you will hear from us hereafter. (Applause.)

CHAIRMAN HIGBEE: Gentlemen, I understand that Governor Van Sant, of the State of Minnesota, is in the room. I also think that Senator Frear is in the room, and the Hon. John W. Kern, of Indiana. (Applause.) We would be very glad if they would come to the platform.

The next thing in order will be the reading of the call of this convention. You have all seen it, but in order to have our proceedings regular, I will ask the secretary to read the call to this convention. It is very short and will take just a moment.

At this point the secretary read the call as follows:

Milwaukee, Sept. 18th, 1905.

A convention of delegates representing the various trade, industrial and producing interests of the country is hereby called by the Executive Committee named in the heading of this sheet, to be held at the Auditorium Hotel, at Chicago, Ill., to meet at 10 o'clock A. M., on the 26th of October next, the sessions to continue probably into the following day. The basis of representation will be one delegate for every organization, composed of persons engaged in the pursuits above mentioned, of one hundred members or less, and an additional delegate for each addition two hundred members or major part in excess thereof.

The object of the convention is to impress upon Congress the extent and persistence of the demand of the people of all parts of the country for legislation outlined in the President's last annual message to Congress in the following language:

"The Interstate Commerce Commission should be vested with the power, when a given rate has been challenged, and after a full hearing, found to be unreasonable, to decide, subject to judicial review, what shall be a reasonable rate to take its place; the ruling of the commission to take effect immediately and to obtain unless and until it is reversed by a court of review."

In his address at Chataqua, N. Y., on the 11th of August last, the President declared his belief in the immediate necessity for legislation, "conferring upon some branch of the executive government the power of effective action to remedy the abuses in connection with railway transportation."

The result of the effort to secure legislation of this character

continued during the past five years seems likely to reach a determination at the coming session of Congress. The importance of such a demonstration of the public interest in the legislation at this time as will be effective upon its influence on Congress cannot be overestimated, and it is open that the opportunity presented by the convention for this purpose will be utilized by the sending of delegates thereto by every organization desirous of the enactment of such legislation.

The railway interest is unitedly opposed to any legislation restricting its absolute control of railway rates and the representatives of that interest throughout the country are not only exerting their utmost influence with Congress to prevent legislation in this direction, but are making strenuous efforts to suppress expression of sentiment in its favor on the part of commercial organizations, and also, by perverting the intent and purpose of the legislation, to incite opposition thereto on the part of such organizations. Hence, it is necessary for the friends of the legislation to avail themselves of every means of making their influence felt where it will have effect in bringing about its enactment.

The names and addresses of delegates appointed to the convention should be forwarded promptly to the undersigned at Milwaukee, Wisconsin.

Truly yours,

"E. P. BACON, Chairman."

CHAIRMAN HIGBEE: In order to perfect our organization it is necessary that we appoint two committees, a Committee on Permanent Organization and a Committee on Credentials. One word in regard to the Committee on Credentials. The Executive Committee, as you well know, was compelled to adopt a procedure which is a little unusual this morning. This procedure was not intended in any way to limit the discussion, and gentlemen present who may wish to offer resolutions and discuss them upon the propositions embodied in the call of this convention will be given an opportunity to offer such resolutions and for a full and open discussion, provided such discussion is confined to the call of the convention. If some gentleman will be kind enough to move the appointment of these two committees, I will thank you.

It was moved and seconded that the Chairman appoint such committees.

CHAIRMAN HIGBEE: It is regularly moved and seconded that the chair appoint two committees, one on permanent organization, and the other on credentials. Those in favor of the motion will signify in the usual manner.

The motion was unanimously adopted.

CHAIRMAN HIGBEE: While that committee is being made up I am going to introduce to you a gentleman who is probably well known to all of you, and who within the last twenty-four hours has been engaged in a fight for this cause in which the head and front for those who are in opposition to this call was centered and he has won by a vote of ten to one. I wish to introduce to you the Hon. John W. Kern from the State of Indiana. (Applause.) I wish first to read a telegram

which has just been received and which is signed by a name well known to every one here. "Judge H. S. Collins, Steinway Hall, Chicago, Ill.: I trust the convention will resist to the utmost the admission of any delegate who will not sign the proposed pledge. Let the railroad hired men exhibit their passes and go home. If they attempt to be violent, go elsewhere and hold a Roosevelt convention. (Signed) William E. Chandler."

Mr. Kern addressed the convention as follows:

Gentlemen of the Convention: I am commissioned by the Commercial Club of Indianapolis, which is the largest commercial organization in that commonwealth, to come here and declare to this convention that the people of Indiana regardless of any party affiliations stand like a stone wall in favor of the position of the President of the United States. (Applause.) I have been requested to briefly state an account of the contest recently had in the City of Indianapolis on this question. The Commercial Club has 1,200 members and the membership constitutes the flower of Indianapolis business citizenship. It has a directorate of fifteen members. Some time ago, in response to a call issued by Mr. Bacon, the Board of Directors appointed delegates to this convention and instructed them on motion of myself to stand by the President when they came here representing the club. (Applause.) Our meeting was made highly respectable by the attendance of Mr. D. M. Parry, who is also a member of the Board of Directors of that club, but who was not present at that meeting. At a subsequent meeting he made complaint that the Board of Directors should not have exercised that sort of authority. In order that Mr. Parry might be accommodated and he and his friends might have a full opportunity to present their views, the Board of Directors called a meeting of the membership of the club to settle the matter for themselves. On the night before last when the membership met, there were present many faces that had not been seen before in years. Every railroad man who belonged to the club sprang forward to take part in the exercises of that meeting. Mr. Parry was there with all the friends he could rally, about him. We had a very full and free discussion of all sides of this question, and when a vote was finally taken the vote was more than ten to one in favor of the government regulation of railroads, and it was the expression of the club that a man who did not agree with the President, any man who was interested in the maintenance of present railroad rates had no more place in this convention than a free-trade Democrat would have in a high protective Republican convention. (Applause.) I think it was demonstrated in Indianapolis the other night that while everybody regards Mr. Parry as a very agreeable gentleman and a very useful citizen, being of great use as one of our leading manufacturers, yet they have no sympathy with him whatever in his attitude on this public question which is now agitating the country? I am not here to detain you long. I was not invited to say more than I have said, but I have this to say further that I am a Democrat of the strictest kind, and twice within the past eight years I have carried my party's banner in Indiana, to defeat, to be sure, but

I have carried the banner as honorably as I knew how. (Applause.)

When President Roosevelt was inaugurated I had some doubts, of course, as a person naturally would have, I had some doubts of him. I have watched his every step since his inauguration as President, and I am here to declare to you, gentlemen, today as a Democrat, that in my judgment no President of the United States since the days of George Washington has had such a united support on the part of the people everywhere as Theodore Roosevelt. (Applause.) President Roosevelt has demonstrated his ability to rise above parties and out of party atmosphere and get away from party lines, and to step up from a party platform to the higher platform of patriotism, and to be President of all the people, and I think it is one of the most hopeful signs of the Republic that our men of all parties have for the moment forgotten their political differences, forgotten their differences on mere abstract propositions and questions of economics and questions of finance and become a part of this great body of American citizenship to uphold the President of the United States in the mighty struggle in which he is engaged. My friend has spoken of the great power of corporations, of the thirteen billions of dollars which they represent. They have great power and they undertake to exercise that power, I understand, by sending men here to disturb this convention of the people in their expression of its views. These men who represent great power, power not hitherto known perhaps, in the history of this or any other country, yet in this Republic is a still greater power, a power that is about to be manifested. It is a power before which kings have trembled, a power before which kings have gone down, it is the power of public opinion, it is a power that has behind it the awakening of public conscience and which will bring to the people of this country their own, and crush out all those forms of anarchistic opposition to the rights of the people which are represented by the men who are in Chicago today for the purpose of disturbing this convention. (Applause.) Gentlemen, I thank you.

**CHAIRMAN HIGBEE:** In accordance with your resolution the Chair has appointed the following committee:

**Committee on Permanent Organization**—Judge Sam H. Cowan of Fort Worth, Tex., Chairman; C. W. Robinson of Louisiana; R. H. West of Cincinnati, Ohio; William B. Stillwell, Savannah, Georgia; Captain J. A. Farley of Texas, and E. F. Perry of New York City.

This committee will meet in Room 422 of the Auditorium Hotel immediately upon adjournment of this meeting.

**Credentials Committee**—J. H. Howard, Wichita, Kansas; J. H. Johnson, Oklahoma City; F. J. Story, Los Angeles, Cal.; J. R. Rumsey, Chicago; F. R. Babcock, Pittsburg, Pa.; M. P. Buell, Chicago, Ill.; Thomas J. Bray, Grinnell, Iowa; L. C. Slade, Saginaw, Mich.; E. D. Conger, Columbus, Ohio.

The delegates from each State are requested to name one man on this committee from those States which are not represented in the lists I have just read, so that every man who is entitled

to a seat in this convention may have an opportunity to do so. That committee will meet immediately upon the adjournment of the morning's session. We hope that every man who has credentials will present them.

A DELEGATE: I nominate Mr. John L. Kernan from the State of New York.

A DELEGATE: I nominate Mr. J. Laverty, of Nebraska.

A DELEGATE: I nominate Mr. J. W. McCord of Columbus, Ohio.

A DELEGATE: I suggest that the Secretary call the roll of States, and that a delegate be appointed from each of the States.

THE CHAIRMAN: I am about to introduce to you a gentleman whom you will be glad to meet. I would suggest that the name from each State be written on pieces of paper and handed to the Secretary immediately upon adjournment, which will take place at the close of the address. I have the pleasure of presenting to you Governor Van Sant of Minnesota. Government control has no more ardent advocate.

GOV. VAN SANT: Mr. Chairman and Gentlemen of the Convention: There is no ambiguity in the cause of this convention. We know what we are here for; we know what we want. No cause was ever more clearly stated. We do not come here as enemies of the railroad. We do not stand with pick axes and crowbars in hand to tear up their tracks. Time will demonstrate that we are their friends, and in my judgment they made a great mistake to oppose the fair and just measures set forth in our early action. (Applause.) I further believe that they will give a great impetus to our movement by the opposition which they have inaugurated. When the American people are thoroughly aroused their demands will be ten times greater than ours. I said we are friends of the railroad. There are many who believe that unless wise action does prevail government ownership will follow.

In this, I believe I voice the sentiment of all of you who have given this subject careful study. I desire just for a moment to quote one of the Interstate Commerce Commissioners. "There are two courses open, government ownership or government regulation of railroads. Which it will be, depends mainly upon the managers of the railroad. If they do not want government ownership they will cease from opposing every effort presented to reduce rates which are unreasonable." One railroad president said in an interview recently: "The government should either own and operate the railways or supervise and regulate their management. The latter class I think the wiser. The railroads are in all respects as much subject to government control as are the public highway. Another railroad president stated about the same time that the regulation of railroads is inevitable and that the railroads must be prepared for it. The views of these men are worth consideration; they have had experience and should be thoroughly informed. You cannot disguise the fact that it is to be either government ownership or government control. If we do not want the former, we must have the latter. Railroads are absolutely essential and have

been a mighty force in the development of our country. The railroad is essential and should never be permitted to become a monopoly. It should have fair treatment and receive proper compensation for its services."

Have they been treated fairly? Let us for a moment examine. It has been announced that I am from Minnesota; the great North Star State has donated to the railroads ten millions five hundred thousand acres of land, more than all the farmers of that commonwealth have under cultivation. Nor does this include rights of way, nor does it include bonuses by citizens, townships or counties. They have given enough to build every railroad in the State. That is not all. The general government in Minnesota has given besides this ten million five hundred thousand acres, ten million acres. Doesn't it follow that the railroads should be just as generous in their treatment of the people of that State and other States which have treated them in a similar manner? That is all there is to the question. That is what we are meeting here for today. The railroad question will not down. That it will not is due in a great measure to this organization. Great credit is due to Mr. Bacon for the fight that has been put up on the question of railroad regulation. It is an important question. It is not only important, it is the paramount question today before the American people. It affects every man, woman and child in the United States. Upon the freight rate depends the cost of everything that our lives depend upon. It is unreasonable to say that unjust rates and discrimination should not exist. Let me say that this city of Chicago and the cities from which I come, St. Paul and Minneapolis, are discriminated against as the rates from New York and San Francisco are the same as from these cities. Is it reasonable that the people living in these communities should be placed on such a basis? I think not. There is a gentleman in this room as a delegate to this convention whom I will quote as showing that discriminations are common, not only against the cities I have mentioned, but against individuals. Here is what he says: "There are certain large elevator concerns which get a rate from St. Paul and Minneapolis to Duluth of two and a half cents, while the tariff is five cents, and we are compelled to compete with those elevators. The Great Northern has been carrying grain from Minneapolis to Duluth at two and a half cents; one-half of the tariff rate only. This rate is granted to only three elevators which have the good fortune to be on the inside. He gives the car numbers and gives the items to prove this. This one item represents an amount of over ninety-two thousand dollars."

Can this be possible, gentlemen, in this, a country where men are equal in opportunity? Should the railroad be permitted to enrich some at the expense of others? That some should have such undue advantages over their competitors, that a railroad should have the power to build up one city and ruin another, to enrich one individual and pauperize another? It is quite common and possible nowadays to deride Mr. John D. Rockefeller. What has made him what he is today? It was, gentlemen, be-



cause of the special privileges which he enjoyed from railroads. But don't blame John D. Rockefeller; blame yourselves. Don't blame the conditions, but change them. You have got it in your power to do it. When I think of the conditions in our country today, read of the insurance scandals, the taking of money from poor people who have given up all the luxuries of life to provide for those who are left behind them; when I consider the graft in Philadelphia, in St. Louis, I think of what Phil Sheridan said to one of his colonels during one of his campaigns in Virginia. This colonel said to him: "Where can I get into this fight?" "Get in anywhere; there is good fighting all along the line." There is good fighting all along the line. When you get home don't stop, but let your neighbor know what you mean, what we have been doing here and let your zeal prevail and good results will follow! The rates charged are unreasonable I propose to bring proof to show. And I hope you will pardon me for reading this report of the Interstate Commerce Commission: "One of the most significant things in recent railway operation is the difference in the cost of transportation. A few years ago the impression was general that freight rates could not and would not be advanced. Railway traffic officials frequently affirmed this in discussion. When the commission had under consideration certain consolidations of railways, the eminent gentleman who had brought this about said under oath that the purpose was not to advance, but rather to reduce rates. Recent history belies these predictions. This increase in transportation charges has been accomplished in various ways.

What is the remedy? Your convention opens the way. I agree with you that we must look to Congress for redress. Additional power should be given the Interstate Commerce Commission along the lines suggested by the President in his last message to Congress. He says:

"The Interstate Commerce Commission should be vested with the power where a given rate has been challenged and after a full hearing found to be unreasonable, to decide, subject to judicial review, what shall be a reasonable rate to take its place, the ruling of the commission to take effect immediately and to obtain unless and until it is reversed by a court of review."

This is sound doctrine. In urging just and wise legislation, you are standing with the President of the United States and a large majority of the American people. (Applause.) I am in hearty sympathy with your movement. It is no sudden impulse on my part. I have advocated it for years. At a conference of Governors at Helena, Mont., in 1901, after agreeing to stand unitedly together to resist the merger of two great parallel lines of competing railways, the Northern Pacific and the Great Northern, in violation of the law, we passed the following resolution, fully realizing the necessity for further legislation, even though the threatened consolidation was prevented by the decree of the court. Here is the resolution, and it was sent to every member of Congress in the States through which those lines ran: That power should be granted to the Interstate Commerce Commis-

sion to fix maximum rates upon interstate commerce and to regulate the same.

The decision of the Supreme Court of the United States in the merger suit was wholesome. It was received with joy throughout the Union. It prevented the most ingenious scheme ever conceived by the brain of man to stifle competition and promote monopoly. It was a triumph of the law, and it settled for all times the power of the government to prevent illegal consolidations of transportation companies in restraint of trade. It put an end to the merger. Now efforts are being made to do indirectly what the court would not permit directly. Many lines are being united into systems, and then the systems are grouped. In this way a few men practically control the transportation companies of the country. By means of this grasping process and grouping, a few railroad magnates can meet in New York and agree upon plans to put into effect policies which result in their special benefit and detriment to the interests of the public. Six of these groups or systems are said to control 178,000 miles of the 204,000 miles of the railroad mileage of the United States. By this means competition has been destroyed, and the necessity for rate regulation has become more and more apparent.

This proposed regulation by Congress will result in no injustice to either shipper or carrier. We might as well study this question thoroughly. It is not proposed as oftentimes asserted by enemies of our proposition, to fix all rates. It is only when a rate has been challenged and when after full investigation both sides have been urged, and the commission then decides that the rate is unreasonable, they shall name one and have it go into effect immediately and remain in force until passed upon by the courts. (Applause.)

That is the contention. It is the contention of all those who favor rate legislation. For ten years this power was exercised, and no trouble arose. Some 400 cases were tried, and they were readily obeyed—their decisions were—with the result that even the railroads themselves sometimes applied; and I believe, gentlemen, that this action today would be beneficial to the railroads as well as to the public, for in many cases it would not only save them from themselves but save themselves from each other.

In 1897 the Supreme Court decided by a majority vote only that this power was not delegated; that it could be but that it had not been, and all that is necessary now to do is to put the commission back where they thought they were and proceed to business again. (Applause.)

To show that this statement is true, I again quote you from the commission:

"We desire to repeat in this connection that there is today no way in which these advances can be prevented. If they are just and reasonable, they ought not to be prevented, but it cannot be assumed that they are in all cases, and it is impossible to contemplate with equanimity the fact that the result of our recent improvement in transportation facilities, that the consequence of financial prosperity and financial adversity alike is an

increase in the transportation charge, or to remember with indifference that this species of property is now in a position to tax unjustly other species of property."

If these charges are reasonable, they afford a most insidious means of taking unjustly from the general body of the public for the benefit of a few. At present this commission can investigate and report. It has no power to determine what rate is reasonable, and such orders as it can make have no binding effect.

To continue this commission with no power to enforce its decrees is a farce. The farce might as well end. Either give the power of regulation essential to make the decision of the commission effective, or abolish it altogether. (Applause.)

I congratulate you, gentlemen, that the long fight is about to end. A determination will be reached at the present session of Congress, I earnestly believe. You do well to call this meeting to arouse public sentiment. The conflict will soon be on in all its fury. The weak-kneed and the timid might as well go to the rear at once.

Can a successful fight be made? Yes, but it will be after a terrible conflict. The interests opposed will fight to a finish. They are strongly intrenched, and will not surrender until forced to do so. Let us accept the gauge of battle. Let it be settled now whether the railroads are our servants, or our masters. We contend that the railroad is the creature of the State. If the creature is greater than the creator, if the railroad is greater than the state, we might as well know it first as last. Let it be immediately understood whether the people exist for the railroads or the railroads for the people. In a word, let it be determined forever whether this is a government by the people or a government by the corporations. (Applause.)

President Roosevelt made a speech recently in Philadelphia. It was a masterpiece and worthy of the man. Here is what he said:

"Neither this people nor any people will permanently tolerate the use of the vast powers conferred by vast wealth, especially by wealth in its corporate form, without contriving some means of seeing that this power instead of being used in the interest of the individual possessing it, is also used for and not against the people as a whole."

The President is right. The people will not permit the misuse of the vast power of corporate wealth; will not long submit to the dictation of its creatures. The time has come to call a halt. The great trust corporations exist, in fact, their very life depends upon special privileges granted them in the various States. When you talk of any remedy, their cry is that it will injure business, the same old sound, whenever reforms are proposed. It will destroy liberty, they say. The only liberty that would be endangered would be the liberty now enjoyed by certain corporations to rob the public. It is unconstitutional, they maintain. We heard that declaration when we marched South to suppress the rebellion and save the Union.

It has always been deemed right to regulate common carriers. Evidently they do not agree with Justice Brewer, who

says, concerning the power over highways, that the charges imposed upon the public for their use always remain in the control of the government.

It is evident that all these magnates desire is to be let alone. Every old soldier remembers that was all that Jeff Davis wanted. If these magnates are permitted at every wave of prosperity to water their stock and place new burdens upon the people, they will be satisfied.

Are we in earnest? Do we really want the people to assist? If so, we have the power in our hands. In our country the people rule. No force is so irresistible as an aroused public sentiment. No man can detect its rumblings sooner than the public official. He ever has his ear to the ground and he can trim his sails on short notice so that his political craft can safely weather the approaching storm. A great tidal wave representing public opinion has rolled into Washington? The Lower House has heeded its warnings. It is drawing with terrific force against the Senate wall. That august body, too, must yield to the public demand. It is my earnest hope that the extended inquiry recently closed by the Senate Committee will hasten favorable action by that body. I have read that report with much interest and profit and I have observed all the way through that in large cities with great business centers where there are great jobbing houses, that those who testified are satisfied with present conditions. They say they have been able in the past to buy transportation, only another word for rebates, in a satisfactory manner. It has enabled them to build up great industries. What interest have they furthered? Their ware houses are filled with transportation bought in competitive markets. Are the men behind them that they talk so eloquently about satisfied? Not a bit whatever. In order to show you that our State is not satisfied I desire to take exceptions to what has been said by some of the men who have gone down and appeared before that committee in Washington, and I think that when I have finished you will see that Minnesota has some reason to complain of present rates and present conditions. What a man says down there is public property, and I have a perfect right from this platform to criticise what he says and to give, if I can, a different phase to the subject, and I am going to beg your pardon while I speak to you a moment longer.

I am going to beg your pardon while I just read for a moment more. I am coming to the part that interests us more up there in Minnesota now than anything else. I stated that those people who went to Washington were not representatives of Minnesota. I am going to make a comparison of our State and the State of Iowa, and I am going to give you the reasons why we are especially interested. I am not at all jealous of the great State of Iowa. I am proud of her, and I am glad to say that she is doing better along these lines than we are in Minnesota, and we want to do just as well in Minnesota as they have in Iowa, and we want Iowa to do better than she is now (applause). I wish to show you that we are not enjoying all that we would like, and I will just make a few comparisons, but I take the figures from the report of the Railroad Commissioners of the

State of Minnesota for 1893, and for the State of Iowa for 1893.

The gross earnings for the State of Minnesota for 1893 were in round numbers \$7,250,000, while in Iowa they were \$9,500,000. The operating expenses in Minnesota were \$32,000,000, and in Iowa \$40,000,000. The net earnings in Minnesota were \$35,759,000, while in Iowa they were \$16,430,000, over twice as much in Minnesota than in Iowa. The net profits per mile in our State were \$4,900, while in Iowa they were \$1,700; nearly three times as much profit from our State. If you will allow the same profit you will find that Minnesota was overcharged on each and every mile \$3,200. It totals up the sum of \$23,238,000. This fabulous sum, more than \$23,000,000, is the result of the rates in Iowa for a single year. A carload may be shipped in Iowa 100 miles for \$48, and for 98 miles in Minnesota for the same class of freight it is \$82. You will notice that there is a marked difference between Iowa and Minnesota, and this difference extends to the southern lines of Minnesota. They are much higher in southern Minnesota than they are in northern Iowa.

Now I am going to take the time to read this. Do you think that any man that goes to Washington and says that we have no complaint to make at all represents the public sentiment? Why should the rate be higher in Minnesota than it is in Iowa? It was claimed by the transportation companies that the Iowa rate would mean confiscation of the companies, and that it would confiscate the railroad property. We say that it would not confiscate the railroad property, and we show that the railroads are still in a position to make as much earnings on the capital invested as they are entitled to make and any more would be an injustice. The railroad people said that in Iowa it would mean confiscation. The increase in mileage has been large. Was railroad property confiscated? Not at all. The stocks of the two companies which have large mileage in the State of Iowa are quoted as selling for 234 $\frac{1}{4}$  and 177 $\frac{1}{2}$ , and the stock is now too high. A report in New York has it that one of the companies was about to pay a dividend on 300 million dollars. I don't think that they have been robbed, but on the contrary are reaping a harvest.

Gentlemen, the question is now up for settlement. There never was a more opportune time to decide an important question than now. We are fortunate in having the greater leader (great applause). No ordinary man is our guide in this affair. America has always had a man for the occasion. Washington for the revolution, Lincoln to save the Union, and now to deliver us from corporate oppression we have a leader with lamp in hand (applause) who today stands first before the world. Is it England's king or Germany's emperor? Is he the Mikado of Japan, or the Czar of all the Russias? No, it is our own President, Theodore Roosevelt. (Applause.) Some say that he is not as earnest in the cause as he was. I don't believe it. I would as soon think that the rock of Gibraltar could be moved from its base as to think that Theodore Roosevelt could be moved from a position that he has taken before the American people. He will do his duty. Shall we do ours? In our country

the people rule. We have a representative government, and every man is responsible for that government to the extent of one vote. I have no fear for the result. I could not be a pessimist if I tried. We heard a good deal about calamity howlers a few years ago. The calamity howler of today is the man of great wealth, the man who does not want to obey the law (applause). He says that if this cause prevails the country will go to the bow wows. Do not be deceived. Do your duty as American citizens, being inspired by the past history. Our past history is most inspiring; wherever there was a difficulty to settle it was settled, and if we cannot win now, organized as we are, and with the fearless leader that we have, it seems to me that our chances ever to win are slim. And so I urge you; I bring you words of good cheer from the North Star State. It is my belief that every member of Congress of the United States will be found in favor of rate legislation. Our legislature recently memorialized Congress along this same line, and then these gentlemen went down to Wasnington and said it is not the issue. I say that it is an issue. Both the outgoing and incoming governor recommended it. I want to tell you that Minnesota is alive and awake as any State in the Union, and nineteen-twentieths of the people are in favor of this measure, and they are going to fight until it passes. (Great applause.)

THE CHAIRMAN: I recognize Mr. J. A. Van Hoover.

MR. J. A. VAN HOOVER: I simply wish to say that in the midst of all this business and enthusiasm which we are encountering here, we ought not to forget some sentiments and appreciation, and I move you now, gentlemen, that this body shall request that its Chairman will wire Mr. Bacon our sympathy in his sickness and its appreciation, and that the vote be passed rising.

THE CHAIRMAN: All those in favor of the adoption of that resolution will please rise.

(The convention arose to its feet.)

THE CHAIRMAN: It is carried. The Chairman will carry out your instructions.

I am requested to add to the committee on Permanent Organization Mr. F. D. Voorhees, of Illinois; Mr. A. A. Ames, of Buckingham, Iowa, and Hon. T. B. Riley, of Indianapolis, Ind. They will meet in room 442, in the Auditorium Hotel, immediately after the adjournment of this meeting. Has any delegate here any business which you wish for consideration at this meeting? It is usual for the executive officers in a convention of this kind to request of you who have resolutions which you wish to offer to be good enough to reduce them to writing, and present at the afternoon session, which will meet in this room at 3 o'clock, at which time the permanent organization will be perfected, the committee on resolutions appointed, and you may present your resolutions to them. The committee on credentials will meet in this room after the adjournment. The delegates from the State of Indiana are requested to assemble in the left-hand corner of this room.

MR. BABCOCK: Will it not be advisable to have the names of the credentials committee read to us?

THE CHAIRMAN: Yes, I will have the secretary do so.

I have a letter here from Mr. C. F. Francis and Mr. McKenzie. I know Mr. McKenzie is not in the city. The Secretary will now read the names of the committee on credentials.

THE SECRETARY: The committee on credentials are: J. E. Howard, chairman; J. H. Johnson, F. J. Storing, J. P. Rumsey, F. R. Babcock, M. P. Powell, Thos. J. Grove, Louis C. Slays, E. D. Conger, and one man to be selected from each State other than those already nominated.

MR. BABCOCK: How will the committee on resolutions be appointed?

THE CHAIRMAN: By the present Chairman.

JUDGE COWAN: Before this convention adjourns, I desire the privilege of making an explanation, and that is that the executive committee, as I stated this morning, felt impelled to require certain declarations in order that you might have just such a convention as you have.

A VOICE: Come to the front of the stage.

MR. COWAN: The executive committee felt itself impelled, as I stated this morning, to require a certain endorsement of principles in order that you might have that which you now have, namely, privileges of your free speech. (Applause.) And we therefore felt—those who stand by the principles of this organization—which are quite well known, and which are the principles of the President, were to have a part in this meeting, if they are delegates to it. If by inadvertence, if by peculiar circumstances which we could not know in advance and provide for them, if we have excluded any delegates who desired to participate in this, to the end that we are seeking, this committee desires to have them participate. I desire, therefore, to explain that our declaration this morning for admittance were for the purpose of your temporary organization, which has been or will be perfected when the report of the committee may be made at 3 o'clock this afternoon. Now that your committee on credentials is appointed, any gentleman who subscribes to the principles which this executive committee has written in order to gain access to this hall, is requested to present his credentials to the credentials committee in order that we may not do wrong. We must take the strong position in order to do right.

CHARLES ATKINS (Illinois): I am a member from Illinois and many of our Illinois people do not understand about the names that are to be handed in from each State to this credentials committee. Do I understand that each State does that?

THE CHAIRMAN: Each State does that, and that is to be done by the delegates of each State. I read the names consisting of a dozen men; we have about ten States represented; so that we can know who is entitled to representation in this State, we ask that these names be handed in. The States represented here are Kansas, California, Illinois, Maryland, Iowa, Michigan and the Territory of Oklahoma, which we expect will be a State or ought to be. (Applause.)

A VOICE: Where is Texas?

THE CHAIRMAN: Texas is to name its own man. Will the

Illinois delegates meet where that gentleman is standing over there (indicating).

MR. BABCOCK: In order that there may be no confusion with reference to anything, I would ask that the Secretary give us the names that have been sent in, in order that those names be included in the report of the Credentials Committee.

THE CHAIRMAN: The Secretary will please read those names.

THE SECRETARY: J. M. Powers, Jacksonville, for Florida; F. C. Waymer, of Jacksonville, for Georgia; T. R. Butle, St. Louis, for Missouri; Hon. F. A. Derthrick, of Ohio; Nebraska, J. Larity; Wisconsin, Senator W. H. Hatton; Indianapolis, Clarence Kenyon; Indiana, J. W. McCord.

MR. BABCOCK: I would like to ask if it is right for a man from Florida to represent Georgia?

THE CHAIRMAN: On that it is left entirely with the delegates of the State of Florida.

A DELEGATE: Colorado presents the name of Hon. Charles E. Stubbs as her member.

THE CHAIRMAN: The Secretary will kindly note Charles E. Stubbs, from Colorado.

A DELEGATE: Minnesota names W. A. Betton.

A DELEGATE: Ohio names as members W. H. Sieker and Lucien B. Hill.

A DELEGATE: As Ohio has nominated three already, I would request that all the delegates from Ohio immediately on adjournment meet in this part of the hall over there (indicating).

MR. BABCOCK: I think to avoid all this confusion we had better adjourn now, and I move that we adjourn.

THE CHAIRMAN: It is now moved that we adjourn to three o'clock and the motion is carried.

#### AFTERNOON SESSION.

The afternoon session was called to order shortly after three o'clock by the temporary chairman.

CHAIRMAN HIGBEE: The next thing in order will be the report of the committee on permanent organization. I call upon Judge Cowan, chairman of that committee.

MR. CAMPBELL (of Ohio): Would not the report of the committee on credentials be in order first so we will know what it consists of before we commence permanent organization? Is the committee on credentials ready to report?

CHAIRMAN HIGBEE: Is Mr. Howard in the room?

MR. HOWARD: Yes, sir.

CHAIRMAN HIGBEE: Following the gentleman's suggestion we will call upon Mr. Howard for the report of the committee on credentials.

MR. HOWARD: Mr. Chairman and Gentlemen, your committee on credentials begs leave to report as follows:

1. All those delegates subscribing to the principles of the call as enunciated by President Roosevelt in his last message to Congress are entitled to seats in this convention, also that Mr. Mead, representing the Merchants' Association of New York, be admitted on basis of his letter presented to this committee,



2. Delegates representing more than one organization shall be allowed to vote for each organization for which they present properly certified credentials.

3. The secretary of the convention has a list of the delegates entitled to seats, as per above recommendation:

J. E. Howard, chairman, Wichita, Kan.  
 J. H. Johnson, secretary, Oklahoma City, Okla.  
 F. Q. Story, Los Angeles, Cal.  
 I. P. Rumsey, Chicago, Ill.  
 M. P. Buel, Chicago, Ill.  
 F. R. Babcock, Pittsburg, Pa.  
 Thomas J. Bray, Grinnell, Iowa.  
 Lewis C. Slade, Saginaw, Mich.  
 E. D. Conger, Grand Rapids, Mich.  
 J. W. McCord, Columbus, Ohio.  
 T. L. Kinney, South Hero, Vt.  
 L. C. Whitney, Wisconsin.  
 J. W. Kahle, Seattle, Wash.  
 F. E. Waymer, Jacksonville, Fla.  
 Scott W. Moore, Louisville, Ky.  
 John D. Kernan, Utica, N. Y.  
 Jay Laverty, South Omaha, Neb.  
 Eugene F. Verdery, Augusta, Ga.  
 Theodore R. Ballard, St. Louis, Mo.  
 Clarence A. Kenyon, Indianapolis, Ind.  
 J. Z. Keel, Gainesville, Tex.  
 C. E. Stubbs, Denver, Colo.  
 W. C. B. Robbins, Boston, Mass.  
 Edwin B. Pike, New Hampshire.  
 George S. Loftus, St. Paul, Minn.  
 Edward H. Reid, Wyncote, Wyo.  
 I. M. Humphrey, Rapid City, S. D.

MR. FARLEY (of Texas): My understanding is that the committee on credentials has nothing to do except as to seating the delegates. I think the basis of representation is settled by the executive committee. I understood from the secretary of the executive committee that they settled the basis of representation and it was so published in this morning's papers. I would like to ask if that is true?

CHAIRMAN HIGBEE: I didn't see the publication in the papers. What was the publication?

MR. FARLEY: The executive committee tells me that the proposition was that no delegate should have representation for more than one vote for the first hundred he represented and one vote for every two hundred after that.

CHAIRMAN HIGBEE: I think that is not correct. The executive committee, according to my understanding, decided yesterday that in order to carry that into effect they must have as many delegates here as they are entitled to.

MR. FARLEY: That is what the secretary told me today, and it was so published in the paper this morning.

CHAIRMAN HIGBEE: What is your pleasure in reference to the report of the committee on credentials?

MR. CAMPBELL: I do not want to object to the report of

the committee on credentials, but I do believe that it ought not to be taken as a precedent for the admission of anybody else. The committee has adopted the proposition to allow persons who endorse the recommendations of the President to be seated, and they say upon the propositions contained in the letter of Mr. Mead that Mr. Mead be seated. The contents of that letter is not offered for the consideration of this convention. Lest you may be putting yourself upon record as endorsing something you might not want to follow out in subsequent cases I move that the report be amended by the addition of the following:

Provided, however, that the admission of Mr. Mead upon the letter which he presented shall not form a precedent for the admission of any other delegate. Because this convention doesn't know what that letter is, and if they are willing to adopt it without knowing what it is—

A DELEGATE: Let us have the letter.

MR. CAMPBELL: I do not call for that; I am not trying to question the report of the committee. I will be in favor of adopting the report, but I want it with the proviso that that shall not be made a condition precedent for the admission of other delegates, because you might be establishing a very dangerous precedent by doing it.

MR. CALL: I rise to second the motion.

MR. HOWARD: I want to explain that the report might have been more specific in this, that that letter attached to it had some resolution passed by the association which Mr. Mead belongs to. Those resolutions were so strong, and stronger than our own pledge, that he felt obliged to stand by the resolutions of his committee, and taking the thing together, we thought we were entitled to seat him.

CHAIRMAN HIGBEE: Would the explanation made by Mr. Howard—

MR. FOSTER (of Minnesota): Mr. Chairman, I rise to ask for information. Owing to the noise, we did not all understand the reading of the report, and I ask now how that report read. Some of us, the governors of the different States—not all of them, but some of them—have appointed delegates, one from each Congressional district, not because they represent any particular organization, but because they are supposed to represent the people of the district, following out the idea of the call. Now, in what position does the report of the committee leave those delegates here? I ask for information.

CHAIRMAN HIGBEE: My understanding is that the report of the committee will entitle those delegates to a seat on this floor, with one vote each.

MR. FOSTER: How?

CHAIRMAN HIGBEE: My understanding is that the report of the committee on credentials will entitle those delegates to a seat on this floor with one vote each.

MR. KEEL (of Texas): Mr. Chairman, I was on that committee on credentials, and I think the point the gentleman has taken is not well taken. For instance, a man must sign those articles that he signed at the door and which I signed in order

to get here (applause), and the governor of the State might have appointed a man that is a wolf in sheep's clothing, and we do not want him here unless he has subscribed to the articles which I have signed (applause).

MR. HOWARD: Mr. Chairman, those delegates did all sign that.

MR. FOSTER: We understand that part of it; that we must have signed those articles, otherwise we have no right here whatever.

MR. CALL: Mr. Chairman, I seconded the motion of Judge Cowan of Texas to correct or to amend the report of the committee on credentials in regard to the admission of Mr. Mead. I was appointed one of a special committee by the executive committee to prepare a roster, together with a statement of the principles of the delegates desiring admission to this convention, and it was upon that roster and that statement that these statements were signed by all, in order that they might declare their position before becoming entitled to seats in this convention. Mr. Mead presented himself and asked admission to this convention, refusing to sign the statement which all others had signed, and he stated that he differed with us in regard to legislation, and he differed with President Roosevelt in regard to his recommendation and that he would not sign the statement. Thereupon we notified him that he was not entitled to a seat in this convention. The committee on credentials has now examined his credentials and has made an exception in his case for some special reason, and I am prepared to accept, so far as I am concerned, the report of the committee upon credentials for the admission of Mr. Mead, with the explanation and proviso offered by Judge Cowan.

CHAIRMAN HIGBEE: The question is upon the amendment to the report of the committee on credentials. The amendment is as follows: That the admission of Mr. Mead shall not be taken as a precedent for the admission of any other delegate. The amendment was adopted.

CHAIRMAN HIGBEE: The question is now upon the adoption of the report of the committee on credentials as amended. The report as amended was adopted.

CHAIRMAN HIGBEE: The report is adopted; we will hear from Judge Cowan.

MR. COWAN: Mr. Chairman and gentlemen of the convention, the report of your committee on permanent organization is as follows:

Your committee on permanent organization beg leave to report the following order of business:

First: Invocation.

The committee desires to explain that because of the excitement and the apparent disturbance that probably was due to the corporate influence this morning, they forgot to have an invocation at the opening of this convention.

Second: The report of the committee further recommends permanent officers of this convention as follows:

For permanent chairman, Col. W. E. Hughes of Colorado.

For vice-chairman: Hon. John W. Kern of Indiana.

For permanent secretary, P. E. Goodrich of Indiana.

For assistant secretary, George A. Schraeder of Wisconsin.

Your committee recommends that there be appointed by this convention an executive committee of fifteen, to be selected by the chairman, to carry on the business of the organization.

Your committee further recommends that a finance committee be appointed to call upon the delegates present and otherwise raise the necessary funds with which to successfully prosecute the work of this organization.

Your committee further recommends that a committee on regulations be appointed by the chairman, consisting of seven delegates, to which shall be referred all questions without debate, to be reported back to the convention with such recommendation as the committee thinks proper to make.

Further, such other business as may properly come before the convention.

Mr. Chairman, involved in a motion to adopt the recommendation of your committee on permanent organization, I wish to say a few words in regard to the appointment of a permanent chairman of your meeting which this committee has seen fit to propose. If I am in order, there is a word upon that subject which I would like to say.

**CHAIRMAN HIGBEE:** You are in order.

**MR. COWAN:** Gentlemen of the convention, having addressed the chairman, the matter which we are called here to pass upon are matters which mark places in the pages of history. You may not see it today; you may not realize it today; this is a history making epoch.

Discoveries of the most vital character to the success, the peacefulness and the prosperity of this nation are being made day after day. One who should have charged a few years ago—but I need not make it so many as that, I might say one year ago—that the men who occupy high places in the civic affairs of this country were above approach and above doing the things which to their shame and to that of this country, be it said, the discovery has been made what they have done. A most remarkable thing, that which even shocks the mind so much that one scarce dares to speak about it, for it might lead to the suspicion of our neighbors. It has not been long since those who desire to regulate some of the larger financial institutions of this country, who desire to regulate the railroads, have been charged with being socialists, as our previous speaker, Gov. Van Sant, has well said. The time was, and not far distant, when if you advocated those things which were of disadvantage to the capitalists, you would be challenged as being a populist, and even my good friend, Senator Harris, who sits in the audience, has not passed out from under the recollection of that charge having been made against him. I might name our distinguished compatriot on the stage, that he has been in favor of such regulation of corporate affairs, that he favors populism in that particular. Now, it has come to a matter of common talk among our wealthy men, for they are mostly honest men among the men of affairs, who have made their property and run the affairs of the country, that there must be something which will

prevent the improper use of the power that is produced by wealth.

In naming Col. W. E. Hughes as the chairman of this convention, we have been able to pick a man who has made his way from that of a poor boy to wealth; a man who is a banker, a man who represents trust companies which he owns, a man who has millions, but a man who has not forgotten that which he knew as a boy, which he realized as a young man, and which today he reveres, the patriotism of a pure American citizen, and who seeks no political honor, and is impervious to criticism (applause). It is the pleasure of this committee, the members who happen to know Col. Hughes, to be able to point to him as a man who has come in this convention, willing to sit, here as a millionaire, to serve as the chairman of a body which seeks to require the corporations to do right, and not take from them anything to which they are entitled. I thank you. (Applause).

CHAIRMAN HIGBEE: Gentlemen, you have heard the report of your committee on permanent organization.

MR. WHITNEY (Wisconsin): I move its adoption.

THE CHAIRMAN: It has been regularly moved and seconded that the report of the committee be adopted as read. All those in favor say "Aye." Contrary "No." The report is adopted. Colonel Hughes please take the chair.

MR. COWAN: I move that Mr. Buell, a distinguished citizen of this city, be invited with Colonel Harris to escort Colonel Hughes to the platform and to take a seat with him.

CHAIRMAN HIGBEE: Mr. Buell and Mr. Harris will kindly escort our Chairman to the platform and take a chair on the stage.

Permanent Chairman Hughes was then escorted to the platform by Mr. Buell and Mr. Harris.

MR. HIGBEE: I take please in introducing to this convention your permanent Chairman, Colonel Hughes of Colorado.

CHAIRMAN HUGHES: Mr. Chairman and Gentlemen of the convention: After thanking you most heartily for the high honor conferred upon me by naming me as your permanent Chairman, which I sincerely do, the only regret I have is that I feel hardly competent perhaps to serve you, for fear I will not do so to your satisfaction.

Before assuming the duties of the chair it may not be amiss for me to outline in a general way the situation and what I think we should do. As you know, gentlemen of the convention, the object of this convention is to endeavor to impress upon the Congress of the United States the extent and persistency of the demand that comes from all portions of the country that the Interstate Commerce Commission be vested with power, when a given railroad rate is challenged, after investigation and after final hearing, to substitute for this rate if found to be unreasonable or unjust or discriminatory, a rate to at once go into effect and obtain until it is set aside by the court; that as the President has in very expressive language expressed it, that the Interstate Commerce be vested with power when a rate is challenged, and found to be unreasonable after a full hearing, to substitute

therefor a rate to take effect, this rate to go into immediate effect and to obtain until set aside by a court of review.

Now, gentlemen, it is conceded, of course, under the clause in the constitution vesting in the Congress of the United States the right to control foreign commerce and commerce between the States, that Congress undoubtedly has the right to fix rates. The Supreme Court of the United States has declared that the power given by the constitution to regulate commerce means the power to prescribe the rules by which commerce is governed, to prescribe, in other words, the rate. Now we are not going to ask that the rate-making power be taken from the railroad and given to the commission. Nobody asked this. We think it best, so far as possible, for the rate-making power to remain with the railroads, with the owners of the property. It is not the desire of the President or the policy of the President to take from the railroad the rate-making power and give it to the commission. It is not desired that Congress should assume the rate-making power, although, of course, all corporations engaged in interstate traffic, Congress has the right to absolutely control and regulate. Of that there is no question. Our position is, and nobody contends for anything else, that there be a power vested somewhere, when a rate is successfully challenged, a given rate, after complaint made, to determine whether that rate comes up to the standard fixed by Congress, and if not, to substitute for it a rate that shall prevail and go into immediate effect until the question is finally passed upon by courts having jurisdiction. That is our position. That is the position of the President, and the position I think that the convention intends to assume. Now, gentlemen, we from the West are not unmindful, in fact the people of the entire country are not unmindful of what the railroads have done. They have brought the comforts and necessities and even the luxuries of life to almost every door. They have hastened the development of the country. They have, as it were made the wheels go faster. That is about all. We had transportation before we had railroads. We had the Santa Fe trail before we ever heard of the Santa Fe railroad. We have not been wholly made by the railroads. The Santa Fe trail from the Missouri river to the Rockies was lined with the species of transportation we were used to, and had served us in a way long before we had the Santa Fe or a single Pacific railroad. The railroads have been followers, not pioneers. This long line of white-topped wagons that lined the Santa Fe trail and all of our highways leading westward with men—with men that followed beside them from New England and every eastern city from Maine to the Carolinas, from the middle West, from Illinois, Indiana, Michigan and Ohio, these men that were called by the mystic voices from the West that has called all people, the ambitious and the less fortunate; these were the men that developed this country. (Applause.)

Of course, the railroads have assisted, and we recognize our obligations to them, and we do not propose to disturb one dollar invested in railroads. We realize that one of the potent factors in civilization has been respect for property rights. Nobody proposes to disturb any investment made. And we admit that

the common carriers, the railroads, must have a just return for their investment. This we will protect, but, gentlemen, the corporations must be controlled, and they must be controlled by the government. It was the government that created them. (Applause.) It was the State government, but the principle obtains, and they were given more rights than you possess, particularly the right to absolutely invade your domain, go where they please, tear down the roof that covers your family, and even dig up the bones of your ancestors. That is a right given them. They are empowered by the government with almost sovereign power. Wherever these corporations are engaged in interstate traffic they are absolutely under the control of Congress. Now, gentlemen, all we ask, Congress has already done, the legislative part of the work, in regulating commerce. Congress has provided that our railroad rates must be just, reasonable and non-discriminatory. The standard has been fixed. Now, if a given rate is challenged after complaint made, it is a mere matter of detail, a mere matter of administration, to apply this rate question to the standard. If it goes beyond it it is clearly with the commission or with any administrative body to declare what would be a reasonable rate, and to substitute this reasonable requirement for the time being. I do not think there is any trouble about that. The courts have held over and over again that the Congress can delegate this power even if it is legislative to a commission. I do not understand even that it is legislative.

Now, gentlemen, I do not mean to occupy your time long. The President, as you know, last December, at the last session of Congress, in his message asked that the Interstate Commerce Commission be given power to, when a rate is challenged, substitute another after inquiry. The House met with the President's suggestion by a vote that was almost unanimous, but the Senate was not so responsive. The Senate sidetracked the matter. Now, gentlemen, it is up to us, this question. The fight is on, and I think we should fight to have here appointed representatives of every state to go right after our respective Senators and let them know what the country demands, and if they are with the President and with the people on this measure, we want to know it. If they are with the corporations we want to know it. (Applause.)

I think we should pass here the necessary resolutions upon this subject. I do not think we need a great deal. A simple amendment, probably, of the present act to regulate Congress, with power vested somewhere. I see no better place than the Interstate Commission (applause). The instrument is not material, but as the fight is along those lines, the power should be vested in the Interstate Commerce Commission. When a rate is successfully challenged after proper complaint and found not to conform to the legislative standard to suspend it, to correct it and set it aside until the question is finally passed upon.

Now, gentlemen, is the opportune time for us to move in this thing, while we have, as it were, a friend at court, President Roosevelt, to my mind the best representative of individualism in this country (applause). Gentlemen, he stands for all that is best and cleanest in American life and government. (Ap-

plause.) Now is the time to make this fight, and we are going to make it. (Applause.) We want here to take just the proper steps. We all understand the position. Let us get heartily to work and get the assistance of the public press, and let the people of the country understand how urgent, how persistent, how universal is this demand. (Applause.)

A DELEGATE: Mr. Chairman, we would like to hear from the vice-president.

CHAIRMAN HUGHES: Will Mr. Kern of Indiana step forward, please?

Mr. Kern ascended the platform.

CHAIRMAN HUGHES: Gentlemen of the convention, allow me to introduce to you Mr. Kern of Indiana.

MR. KERN: Gentlemen of the convention, I thank you most heartily for the honor conferred upon me by electing me as vice-president of this convention. I am especially thankful because I am assured that it is an office to which no duties whatever are attached. (Laughter.) I think I said this morning all that I cared to say on this subject which has called you together, and therefore content myself with again thanking you.

CHAIRMAN HUGHES: Gentlemen, what is the further pleasure of the convention?

A DELEGATE: Mr. Chairman, I think the next thing in order perhaps would be to appoint a committee on resolutions, and I move that you do so.

Motion duly seconded.

CHAIRMAN HUGHES: It is moved and seconded that we appoint a committee on resolutions. Are you ready for the question-

A DELEGATE: Wasn't that taken care of under the vote to the committee that we have offered?

A DELEGATE: Mr. Chairman, the adoption of the report of the committee that you have in your hand provided for the appointment of these committees by the Chair. I think the meeting has decided what action shall be taken.

A DELEGATE: What I desire is that the Chair shall announce the committee on resolutions.

CHAIRMAN HUGHES: Gentlemen, with the copy of the proceedings before me, the first thing in order is an invocation. Is there a clergyman present, Captain Farley?

MR. FARLEY: Isn't there any minister here?

CHAIRMAN HUGHES: I think not.

MR. FARLEY: Well, I am not ashamed of my Maker, and I am unwilling to go into any great matter like this without asking aid and help.

Almighty God, who made all that is, and our Father, we come before you today as your children, and we with great humility confess we have been unruly and disobedient children, but we have been told by you that if we confess our shortcomings and sins, that they will be forgiven, and that you love us more than a mother loves her baby in her arms. Therefore, our Father, we come to you today and say that we are in great trouble; that we have a most momentous occasion before us; that we have against us, as you know, a combination of great



wealth and power, and that we cannot even know exactly what is best. But all power is with Thee, and all wisdom is with Thee, and we ask you this day to be Thou our arbitrator, to be Thou our judge. Decide this matter for us and give us your help and your assistance, and your power, for you are all powerful. Let not the people of this country be oppressed by this great combination of power and capital. We ask this in the name of Him who told us to come to you. Amen.

**CHAIRMAN HUGHES:** Gentlemen, the next business in order is the appointment of a committee on resolutions. The Chair announced the committee on resolutions: J. H. Call, California; G. W. Mueller, Illinois; E. P. Walden, Michigan; S. H. Cowen, Texas; H. A. Holmes, Kansas; R. W. Higbee, New York; John B. Kernan, New York; Gov. Larrabee, Iowa, and Senator Harris, Chicago.

**MR. VAN DUSER** (of Nevada): Mr. Chairman, I rise to a point of information. In listening to the reading of the report of the committee on credentials, am I to understand that those who are entitled to seats on this floor included those appointed by governors, those appointed by commercial bodies, and those who have subscribed to the declaration of principles at the door? Do I understand that a party who is neither the appointee of a governor nor a commercial body who may subscribe to that declaration in reference to President Roosevelt, is entitled to a seat on this floor as a delegate?

(Cries of no, no.)

**CHAIRMAN HUGHES:** The Chair does not so understand it; I think not. The committee on resolutions can retire and proceed with its work, and in the meantime I understand that Senator Frear is present and a request is made that he be asked to address the convention.

**MR. COWAN:** Mr. Chairman, before that is done, there is a matter that has been sent in, if you will permit me to call attention to it as follows:

A committee of five from the meeting in Studebaker Hall, representing 460 delegates, desire to make a statement to this convention and request a reply thereto. Signed, J. Kirby, Jr., Ohio, chairman; J. W. Van Cleave, Missouri; Daniel C. Ripley, Pennsylvania; George W. Scott, California, and Mr. Briggs, as I understand it, of California.

**MR. Chairman,** the executive committee of the Interstate Commerce Law convention, as is well known to the members here, received definite information of an attempt to pack this convention in the interests of the railways against the policy of this convention declared at St. Louis, and declared in the call to this convention, and contrary to the recommendation of the President. We learned that large numbers of men furnished with free transportation have come to this city for that purpose, and it was for that reason that we attempted to protect this convention and the public in order that the convention might not be packed and the purposes of the convention destroyed.

The gentlemen who came here, as you know, met at Studebaker Hall. They now send a communication and ask to be heard before this convention. They have refused to sign the statement of principles which all you gentlemen have signed,

and upon which you were called to meet here. I desire to move that this committee be requested to present their statement which they have in writing, and that it be submitted to the committee on credentials.

The motion was duly seconded.

A VOICE: Committee on resolutions.

There were calls for the question.

MR. CALL: I think it should be heard by the committee on credentials as it is a matter relating to the credentials of the gentlemen.

MR. WELLS (Stock Yards, Chicago): I wish to make a point of order, and that is this; that the committee on credentials is not now in existence and I do not think that that would be the proper place to refer this motion.

A VOICE: Has it been discharged?

MR. WELLS: The committee on credentials has performed its duty and is out of existence.

MR. COWAN: The executive committee of this association made certain rules for passing through the door and any man in here who has not subscribed to them has no right here and ought not to be here. Those rules are made by this executive committee which prevail here, and I do not think that we shall bring the enemy into the camp.

MR. MASON (Virginia): Mr. Chairman and gentlemen of the convention: Roosevelt always stands for fair play, for a square deal. Nobody that comes with a crooked deal should get in here. Those who are entitled to a hearing are those who endorse Roosevelt, and as a Bourbon Democrat who traveled for four years in the Rebel army, when a Bourbon Democrat of that kind comes here supporting Roosevelt, a Republican, I tell you that thunder is in the air.

Now some of those gentlemen who are meeting across the street, if they have anything to say to the American people, let them tell us whether they are here for a square deal or a crooked deal. (Applause.) We do not want instructions, we do not want advice from any man that cannot sign the paper that we signed before we entered that door. (Applause.)

GOV. CAMPBELL (Ohio): Mr. Chairman, we do not want to lose our heads here. I can reply to my Confederate friend, as I wear the little copper button. We are making history and we want to go before the American people here with a declaration of principles that will sweep this country from ocean to ocean and from the lake to the gulf. We are not in sympathy with the tail-enders that met in another hall, and yet we must treat them with respect as American citizens. They have come to this convention; they have humiliated themselves by recognizing this convention; they have come here and recognized this as the head and front of a movement to endorse the President of the United States, and they want to come in, and I think we should meet them half way. They have recognized us. Let us ask them to submit to us a declaration of principles and see what it amounts to, and inform ourselves as to what they have got. (Applause.) I move then, sir, as an amendment to the motion of Judge Call that we accept a statement from that convention in writing and refer it to this convention for investiga-

tion and for report at tomorrow's session and deliberate over it tonight, and digest it, and we will come to some conclusion as to what we think of these gentlemen, and the principles they advocate, and perhaps we can get them to show their hands to us. We want them to show their hands. We want them to say in that declaration that they are making to us where they stand on this question.

The motion was duly seconded.

MR. CALL: I desire to accept the amendment that is offered. My understanding is that the proposition or statement shall be presented in writing and it is for the convention to judge whether they are entitled to seats in this convention or otherwise, upon the principles stated in the communication.

The previous question was called for.

CHAIRMAN HUGHES: All in favor of the amendment will signify it by saying aye, contrary no.

The amendment was carried unanimously. The question now comes up upon the original motion. If the gentlemen have anything to submit to this convention, they submit it in writing to be referred to the committee on credentials.

A VOICE: To be referred to this convention.

CHAIRMAN HUGHES: The question is upon the motion that the gentlemen who signed the request here be replied to and asked if they have anything to submit to this convention, that they please submit it in writing to be considered. All in favor of the motion signify by saying aye, contrary no. The motion is unanimously carried.

MR. COWAN: I move the appointment of a committee of three to communicate with the gentlemen who are in waiting the fact that this convention has by motion declared that it will consider any statement which their convention has to present in writing, and submit it to the convention, and to give them an answer tomorrow morning, to appoint a committee of three.

The motion was duly seconded.

MR. DAISH (Washington): Inasmuch as the communication was from a committee of five, we ought to appoint a committee of equal number and I think we should appoint a committee of five, and not a committee of three.

THE CHAIRMAN: Gentlemen, you have heard the motion. Are you ready for the question?

MR. FLAY (Saginaw, Mich.): I move that a committee of five be appointed.

CHAIRMAN HUGHES: It is moved and seconded that we appoint a committee of five and that it be appointed by the chair to wait upon these gentlemen. Those who are in favor will signify by saying aye, contrary no. The motion is carried.

MR. VASE (Florida): I move, Mr. Chairman and gentlemen—

CHAIRMAN HUGHES: There is a motion before the house, and the gentleman is out of order.

MR. VASE: I thought that carried.

CHAIRMAN HUGHES: Only the amendment. Are you ready for the question?

VOICES: The question.

CHAIRMAN HUGHES: It has been moved that the chair

appoint a committee of five to confer with and give reply to these gentlemen, this committee of five, which has signed this communication. All in favor will say aye, contrary no. The motion was carried.

The Chair will appoint on that committee Mr. Cowan of Texas, Mr. Call of California, Mr. Buell of Chicago, Mr. Skade of Michigan and Mr. Daish of Washington. That constitutes the committee, gentlemen.

MR. VASE: I move, if I am in order, and I think I am, that that committee of five from this convention be instructed to notify the committee coming here from these other gentlemen that this convention stands ready to welcome any delegates who come here bona fide on the call of this convention to sustain President Roosevelt in his position. I hope no opportunity will be given to them to say that we spurned their offer, that they offered us the olive branch and tried to come with us, and that we refused it. Let it go out to the world that we stand ready to meet those who wish to stand bona fide in favor of the President's position. The people of this country are awake upon this question of rates—

CHAIRMAN HUGHES: The gentleman is out of order. There is no motion before the house. The executive committee considered that matter, and the gentleman is out of order.

MR. VASE: I beg your pardon. I was talking on my time—

CHAIRMAN HUGHES: The gentleman is out of order. The committee appointed will please come forward and go with the chairman.

Gentlemen of the convention, it has been requested that Senator Frear address us. (Applause.)

SENATOR FREAR: Mr. Chairman and Gentlemen of the Convention: It is an honor, of course, as you all recognize, to be called upon to speak on such an occasion as this, an honor particularly when practically every member of the convention is a public speaker, as we recognize from the proceedings which have been held here up to this time. It is particularly so, when we have here men like the distinguished Governor of Minnesota, whose presence here means so much in view of railroad history, and equally as great in the history of railroad legislation of the United States is the presence of the distinguished ex-governor who sits on my right, Mr. Campbell. I see in a newspaper a few minutes ago which represents in my own State the sentiments of the transportation companies, that I would speak here today from the standpoint of a farmer. It is a very fortunate thing that they have anticipated the character of the remarks in the contest which we are waging today, made by Mr. Van Sant in consideration of the button which he wears. At one time before he wore this button or was entitled to wear it he found in the farmers his friend. They were compelled to shoulder the musket, and we propose to do it today. In Wisconsin we have secured a railroad commission within the last six months, and we have just successfully won a great contest in a matter which today interests the entire nation. It has been extremely hard in our State for many of the people to see that the governor of that State, whom some of you know, or may know by reputation, resembles in many respects Presi-

dent Roosevelt. Let me say to you, gentlemen, that we will have in this country in the immediate future a comprehensive and strong railroad law provided President Roosevelt brings to bear the power which he has and the power which has been granted by the distinguished Governor of Wisconsin. There is no man present who doubts that the President is equally determined. In addition to speaking to you from the standpoint of the farmer and in recognition of the fact that the insurance companies have been having an investigation recently which has disclosed an alarming condition of affairs, wastefulness and extravagance and the dishonorable use of funds which belong to the policy holders, I wish to speak to you briefly from the standpoint of the railroad policy holders.

President McCall has stated that the intention of the insurance companies is not to benefit the policy holders, but to extend the business and interests of the company, and President McCall has today many of the qualifications of a successful railroad manager, the high salaries, extravagant operating expenses which include lobbies and campaign bills, palatial surroundings, illegal efforts to interfere with just legislation, one is impressed with the fact that the officers and management and the stockholders of both companies have been alone considered, and that the policy holder has not been as yet recognized by either. Let me say to you, gentlemen, that this is an important subject to the policy holders, and they are quite numerous in this country. Have you ever stopped to think for a moment that whereas the policy holders of the leading insurance companies of the United States to the number of several hundred thousand, less than half a million, that seven hundred million passengers were carried in this country during the past year, and that every one is a policy holder in this railroad question today. Also that three hundred million tons of freight were carried by the transportation companies of this country during the past year, and paid for by the producers and consumers of the country, they together with the passengers, have contributed to the support of these companies two billion dollars during the past year. They are the policy holders who have a vital interest in this question. Heretofore they have not been considered, and we have a striking illustration of this in the position taken by the railroad managers in their attempt to prevent legislation, which has been so ably presented to you by your chairman. Their proposition is, provided a rate commission is given the power to fix a rate that the rate shall not go into effect until it has been finally determined by the courts, whereas the request of the President is for an immediate rate. They propose to give to the shippers of the country rebate certificates, and when eventually the rate has been sustained by the highest court, they can present the certificate and get the difference between the rate which has been fixed by the commission and the rate which they have paid. The proposition briefly is, why should the shippers receive the rebate? Is it not a clear and elementary proposition that when you ship the goods from the producer you add the freight, whatsoever it may be, and when it is shipped to the consumer he is charged in addition to the selling price, the freight. It is the consumers and

producers of the country who are paying the freight. They are paying the salary, the operating expenses, the dividends, and they are paying the money with which these gentlemen on the other side are endeavoring to prevent legislation. What the shipper needs is the power to do business without any discrimination or any rebate to his competitor.

With all due credit to the splendid work of this organization—and the people of the United States recognize it—let me say that possibly the position of the shipper has heretofore clouded the situation, and it may have delayed the benefits you would have gained if you had been united with all the parties in interest. What right have you got to disregard the seven hundred million passengers that have been riding during the past year? The majority of these passengers are paying to-day fifty per cent more than the minority for the same identical transportation.

The law says that railroads shall not ship one carload at a different rate from a thousand carloads, where the conditions are the same. They cannot make a wholesale rate on freight. Why should they do a wholesale passenger business and rebate 33 1-3 per cent of that which is paid by one passenger?

Let me say, it seems to me, you ought to unite in your prayer for relief to Congress, a request on behalf of the passengers and producers of the country. You should insist not only that there should be no discrimination in freight rates, but there should be none in passenger rates.

President Stickney has well said, and we cannot quote any higher authority in the business, that rate making is guess work. You recollect what a bombshell that was when it fell into the camp of the opposition within the last month. The influence of the rate maker in this land is powerful. He can make and unmake a community by a freight arrangement. They make rate agreements that bring 10, 20 or 30 per cent upon the investment, as I believe I shall be able to show in the few minutes I shall speak, and why should they be permitted to charge such exorbitant rates of interest?

In the State of Illinois, where we are today, if you make a contract, unless it is otherwise specified therein, you charge 5 per cent for interest. You can, if you choose, make a contract to get as high as 8 per cent, but if you do it the debtor can step into any justice court in Chicago and have it declared void as far as the interest is concerned, both legal and illegal. In many states they have gone so far that they will impose a fine on usurers. That is the case in my own state and many others. In many states the creditor has no power to fix the rate of interest higher than 5 per cent. Let me say that it is like carrying coals to Newcastle to discuss this question with you, but there are two or three suggestions which I might make at the present time. Make your own investigation in this case.

I say to you that the present conditions are intolerable from many reasonable standpoints, and I am going to give you the testimony in regard to it of Professor Ripley of Harvard, who testified before the Senate committee in Washington, and made the statement that all freight rates in the United States within a period of five years had been raised 5 per cent during all the

period of railroad consolidation when people naturally supposed that the freight rates would go down; that 75 to 80 per cent of that freight was carried at what is known and recognized by you gentlemen as low commodity rates. So that classification rates in this country within five years have been raised from 15 to 50 per cent by the railways of this country in order to make enormous average of over 20 per cent on classifications and over 5 per cent on the total average of all freights.

Your distinguished chairman has fought these battles year in and year out in every state of the Union, before the Interstate Commerce Commission, and before Congress has made equally important investigations. He testified before the Senate Committee in Washington that the increase in freight from 1900 to 1903, a period of three years, amounted to 10.9 per cent; that the increase in the revenue within that time, three years, amounted to 25.6 per cent. The revenue increased two and a half times as fast as the freight during that period. From 1898 to 1903, a period of four years, he testified as a result of his examinations that the increased rate of net earnings per mile of the railroads in this country amounted to 30 per cent. If you have not read it, you ought to be familiar with these things, because he is fighting the battle for you down there.

Another proposition which shows the magnitude of it when placed in dollars is that during those four years, allowing to the railroads of the country all fixed charges, reasonable dividends upon the stock, and counting permanent improvements as surplus funds, where it necessarily belongs, the railroads of this country had in those four years accumulated a surplus of \$450,000,000 beyond a reasonable amount, over \$100,000,000 a year. This is on the testimony of your chairman. Not a man present would question it. It has never been questioned in Congress.

The statement has been made here, although the figures were not given, and it is important as bearing on this question, that the Interstate Commerce Commission discovered in these same four years that, allowing the rate of 1899, the freight rate, to have remained in force for four years, there would have been saved to the people of this country \$155,000,000. There is no one who will question but what the rate of 1899 was large enough to create enormous surplus earnings, and this is the report of the Interstate Commerce Commission.

Just one other illustration, and I am through on this point. Mr. Dee, who represented the fruit growers of the South before that same Senate Committee, made the startling report that by his investigation, allowing 5 per cent interest on every dollar in stock that had been issued on every railroad in the country—and that included one-half water, as any man knows who has studied the subject—by allowing 5 per cent interest earnings from the time that the stock has originally been issued, there had been accumulated by the railroads of the country two billion dollars in surplus earnings, over and above 5 per cent upon the stock.

Those railroad men who were down there seemed to think that that was a fair proposition. They could see nothing unreasonable in that argument. And these facts, gentlemen, are facts that should be taken home with you and discussed with

your friends, because it seems to me that it is material, it is educational to all of us.

MR. SIEGLER: Senator, may I make one correction there?

MR. FREAR: Certainly.

MR. SIEGLER: At the period you speak of, the Interstate Commerce reports of 1899 to 1903 make it \$302,000,000 instead of \$150,000,000.

MR. FREAR: \$302,000,000 increase?

MR. SIEGLER: Yes.

MR. FREAR: I stand corrected if the gentleman is better informed than I. I accepted the statement as I understood it. Mr. Moseley—when Mr. Bacon has been questioned by Mr. Mann—and I wish to refer to that in a moment before I finish—when he was questioned by Mr. Mann, Mr. Moseley, Secretary of the Commission, interrupted, and gave the illustration, as I recollect it, if the rate of 1899 had been allowed to remain in effect for the succeeding four years there would have been saved to the people of this country \$115,000,000. I am corrected by the gentleman about that, but, in any event, these figures are so enormous that they are almost beyond comprehension by us when considered in their relation to the railroad traffic.

The next question is—and I must hurry along—but I will say incidentally, Mr. Chairman, lest you feel that I am consuming too much time, that your distinguished chairman insisted that I should come down here and speak as any member of our Wisconsin delegation could, because I am going to tell you some things about Wisconsin before I get through. We have just had this fight, and some of our members are over at the Auditorium Annex at the present time, but I was going to say that the chairman invited me to use what time I wanted, although I do not intend to prolong this punishment unnecessarily.

CHAIRMAN HUGHES: Take all the time you want, Senator.

MR. FREAR: The question of how to remedy this is brought up here the question of government regulation. There has been some question here and your chairman has so cogently put it that it seems unnecessary to say anything as to the power of the government to make this regulation, but I wish to read what appeared in the paper this morning, the Inter Ocean, from Mr. Parry, and it is in just a few lines. He says: "It is impossible for the government through a committee to fix a single railroad rate," said Mr. Parry, "without thereby establishing the right of the government to limit the return on capital invested in railroad property." To establish the precedent that the government may set a limit on the return of capital in any industry whatever, is certainly a most radical and dangerous innovation of our government."

I presume that sentiment is common over there. The government, briefly stated, has the power to regulate all property of public interest, as we know. That is a legal axiom; beyond that the Supreme Court of the United States declared at an early day that the right to regulate freight and passenger rates was a power of the government. They have said in some of the cases, the Michigan case particularly, and it is a power which cannot be given away, except by words of positive grant, and beyond



that the only limitation which has been placed upon it is that a confiscatory rate shall not be imposed.

In the Nebraska case, which is familiar to every lawyer throughout this audience who has studied this question, the Supreme Court of the United States declared that railroads were entitled to what?—reasonable earnings, and that only upon the actual property. And the court said in that case, as it will be remembered, that they were not entitled to earnings upon watered stock. (Applause.)

It went a step further in the Michigan case and in the Texas or Regan case, and there they decided, as you gentlemen remember, that have looked up the question, that the court would inquire into the salaries that were paid, for instance, and all these things that go to make up wasteful operating expenses.

They challenge the right here of the government. What think you, would the courts decide upon when it was shown to them that right here in a railroad that has its headquarters in this city, as Mayor Dunne said, the nerve center of the country—with headquarters in this city, paid thirty million of dollars for permanent improvements within ten years, and charged it up to operating expenses, and then had to declare frequent stock dividends in order to cover up the enormous earnings.

Within the past two weeks, and the distinguished gentleman from Minnesota referred to it, but he did not put it quite as clear as I do, because I am in a different position—they do not care for me—the Great Northern Road has just issued the fourth issue of watered stock. This last issue was \$25,000,000 to its stockholders at par, the stock on the market was worth 325 per cent when issued, indicating earnings of substantially 25 to 30 per cent annually. That stock was worth \$75,000,000 on the market, given to those stockholders at 25, a clean gift to the stockholders of the Great Northern Road of \$50,000,000, taken from the policy holders with one sweep of the pen and turned into the pockets of the stockholders.

You speak of the right of the government to establish reasonable rates, and you speak of a situation in New York where a little petty grafting of two or three millions or several millions more, petty in comparison, when one road in this country gives \$50,000,000 to its stockholders by one gift.

And right here again in this nerve center, because it is a nerve center, as we all admit, the Chicago and Northwestern Road—I give the names of the roads because you can investigate it and see if it is not true—with its stock quoted at 250, indicating interest earnings of 25 per cent last year, according to the Wall Street Journal, and also according to excellent authority—that road declared a stock dividend in June last of \$10,000,000, and the stock was worth \$20,000,000, a clean gift to its stockholders of \$10,000,000 watered stock.

And the Milwaukee road and all these other roads that are in that position are constantly making these enormous gifts to their stockholders, and this is the situation today, gentlemen, which confronts you in the amounts of money which are being earned by these roads, so that you can comprehend briefly what it means to be a policy holder.

But I will pass briefly on and see why it is that this occurs?

Why does not Congress give you the remedy you have been asking? You have been knocking at the door. Do you remember a thing that impressed me very much in this recent investigation of insurance matters was that \$30,000 has been given to campaign expenses last year, and that a large amount of money has been sent up to Albany for the purpose of bribing—opposition legislation, and bribing the New York legislature. Why, it even shocked the distinguished Senator Clark away down in Italy, and he wrote an article denouncing that a legislature like that should be bribed—that an attempt should be made to bribe it in that fashion. (Laughter.)

I hold right here in my hands a paper published in the city of Chicago, a paper which has one of the best standings of any paper of the United States, that within two weeks made the statement—two or three days more than two weeks ago, made the statement that the railroads of this country had contributed a million and a half dollars annually to fight what you are working for. I think the last campaign in Wisconsin they contributed over \$100,000, as was accurately reported in that campaign, and this will have a bearing on something that interests you, I believe, because a little practical experience is worth a good deal of theory in this fight that we are conducting.

How was that money spent? First by buying newspapers where they could be bought. Next, by seeking in every little community wherever it might be possible to defeat members of the legislature who were elected for a certain purpose. And finally, getting down to the capital with what surplus was left to use as only railroads know how, and in methods which have been considered up to the present time legitimate.

Now comes an illustration. There were 300 shippers in the session of 1903, who were brought there by the railroads of the State to help defeat the legislation. We were after a State railroad commission there; they have been there for two or three years opposing what we wanted. They came down and they surrounded the railroad attorneys and the lobbyists, and applauded every act. Not only that, but in 1903, they went into the Senate chamber under the lead of Mr. E. L. Phillip, the celebrated Washington lobbyist, and they passed a resolution denouncing the Governor of Wisconsin because he had predicted what was coming, that they would come there and because he had declared they were receiving rebates from the roads, and that was the influence which had brought them.

Your distinguished chairman, Mr. Bacon, was the only gentleman practically who appeared in behalf of the people as a commission man. In 1905, within six months, the same question was up in that legislature, and not a single one of those 300 jobbers were there, not one. Mr. Bacon was there to help in the victory. Why were they not there? And this is important. The railroad commissioner of the State of Wisconsin in 1903 had been authorized to make an investigation of the railroad companies wherever transportation was issued in the State of Wisconsin, and he came to Chicago, came up to St. Paul and elsewhere to ascertain what rebates had been given by the railroads and where they had failed for that reason to account for the full amount of earnings on which the state of

Wisconsin was entitled to a gross earning, which was the tax in effect at that time.

In making that investigation he found and so reported, that over five million dollars had been paid in rebates within the preceding five years and that many of those 300 jobbers who had been there for all those different sessions had been receiving those rebates. This is taken from the report of his investigation, and you could not have pulled those shippers down there to the 1905 session with a logging chain, and the first time they have ever dared to show up, as I understand, is today. And they are not here. (Laughter and applause.)

The gentlemen who are conducting this contest on the other side profess to fear that there will be danger if the government takes control of rates and regulates them. They have made the declaration that there are politicians here, and they have apparently forgotten for the moment that the railroads have been in politics for forty years and they are at the bottom of all this. (Applause.)

I was going to say this, and it is apparent to you all, that there is no fear of rate regulation in the United States. You could not injure a railroad in this country if you wanted to, and no one wants to, because the Supreme Court has declared that they were entitled, unless they are operating in a wasteful manner, they are entitled to reasonable rates, and the court will immediately step in and enjoin the enforcement of unreasonable and confiscatory rates, and that has been the experience wherever it has been tried. The President of the United States has been making this fight, and this organization has helped him, for many years, and in order that you could receive a railroad law, in order that it may be placed upon the statute books, your chairman, sick at home today, and his co-laborers in this body, all of you are entitled to the respect and gratitude of the people because you have been making a great fight, but if you be of service today, you must see to it, that you control those influences which today are controlling you throughout the United States, which they exercise at Washington, and see to it today that you accept no half-hearted measures, if you can help it, and demand that the Government respect the right of the people and demand a commission with the right to fix rates. A million and a half dollars have been invested by the railroad companies a year, and it is being used for a purpose, and they claim today that no vital bill can be passed through Congress. Why, if that were said to a lawyer about a jury, he would say that the jury is fixed.

But I do not believe they are right in saying that. I do not believe it is possible, and I want to say to you gentlemen, I want to tell you of the magnificent victory which we won in Wisconsin and that we are going to bring to you and give to you a Senator from there who is right on everything that concerns this question and will stand side by side with President Roosevelt (applause). He is announcing the doctrine all over the country today, as you know. He will give you a fair hearing if he can do it. He will give you everything you are entitled to as he believes. For years he has been weighed in Wisconsin and never yet found wanting, and never will be (applause).

I am speaking on this subject, my distinguished friend, to whom I am under personal obligations, Gov. Van Sant, because I found out the fight I was having in a little way in my own district, and with the power that he has, and he is one of the best campaigners in the world, I can tell you, he brought his influence to bear by his voice and by his work, and I want to say to you that fight, single-handed, the fight of the great merger in the Northwest, is deserving of the thanks of the American people. (Applause.) He stated in his discussion this morning that he believed we would have the entire delegation from that State, and I trust he will have it, notwithstanding that it is known as the home of the Jim Hill railroad machine organizations. And from this place, the home of President Lincoln and of Douglass, and forty years afterwards the home of a Lorimer machine, what are we to hope for? We have had good tidings as to what we may expect from here. But there is one thing I want to say—and I digress for a moment—your distinguished chairman, I believe, is acknowledged to be one of the best informed men on the subject of railway rates in the United States. That was the testimony that was accorded to him before the committees, accorded to Mr. Bacon. He is the man I have frequently heard before committees, and I have never yet heard him speak disrespectfully or discourteously of an opponent on any occasion. You gentlemen were present at St. Louis last time. I was not; but that poor old man, whose gray hairs entitle him to a dignity which he has borne for years, and yet at the last session of Congress, before the house committee, he was brow-beaten, insulted and humiliated, and through him your organization was insulted by a man who came as a misrepresentative from this city.

A VOICE: From the second district. Name him.

SENATOR FREAR: No, I will not, but in the words of Portia, when she was speaking of the French lord, she said, "God made him; let him stand for a man." (Laughter.)

And I would say a word further in regard to Ohio—and I want to speak to you because these are practical questions which you have to face. The distinguished senior Senator from that State has declared in a speech within the last few days, and I will read several lines from Senator Foraker's speech in the State of Ohio upon this railway rate question.

"A better way may be found of making these rates than we have now in effect, but I do not believe it will be best for Congress to provide it. To take control of the rate making power is to take charge of the revenues of the roads. If the government is to determine how much money it shall be allowed to make, it must determine what expenditures shall be permitted. None of that can be done by the government as well as it is now being done by the companies themselves."

That is his response to the President's request. He ignores the work of every state commission; he ignores the work of the Interstate Commerce Commission in the past; he ignores the work that has been done in Canada and in Great Britain, and, further than that, he ignores the decision of the United States Supreme Court, and, if you will permit me, I will read the decision of Judge Brewer in which he speaks of that very proposi-

tion which Mr. Foraker laid down. The court said in the 143d Illinois report:

"Of what do these operating expenses consist? Are they made up partially of extravagant salaries of fifty and a hundred thousand dollars to the President, and in like proportion to subordinate officers? Surely before the Congress are called upon to judge of the rate, it should be fully advised as to what is done with the receipts and earnings of the company, and, if it is so advised, it might clearly appear that a prudent and honest management would secure a reasonable dividend. While the protection of vested rights of property is a paramount duty, it has not come to this, that the legislative power rests subservient to the discretion of any railroad corporation on which they may, by exorbitant and unreasonable salaries and other expenditures transfer those earnings into what it is pleased to call operating expenses."

That is not populist doctrine, my friends. If so, it has been uttered by the United States Supreme Court, founded upon the Constitution.

And Iowa—I was going to say that has almost been answered by Gov. Campbell in the State of Ohio.

Iowa and Indiana and all the other Great Western States, nearly every one of which has a railway political machine—what of them? I believe, and I believe that it is the sentiment of this body, that you are going to meet with fair hearings upon that next hearing before the committee, and I believe that the Senate will give you that which belongs to you—good and fair railway legislation. You may not get all that you want, but make your demands in tones that will reach the ears of the men who today occupy the seats in the United States Senate, who in the past have been receiving twenty-thousand-dollar retainers from insurance companies, and who are reported to receive retainers from the railroad companies as large as the president himself. Make your demands so loud to influence the political machine, and let the men know that only by granting them will they have a chance for re-election. You have not a million and a half dollars to spend, but you have eighty millions of people to whom you can appeal today. According to these reports which have been given us, these people are contributing over one hundred million dollars annually to the railways above the reasonable rates. Once awaken them, and all the millions of the railway companies will go for naught.

On this day, gentlemen, the President of the United States is traveling all over this country, with his speeches, and also writing his messages, speaking to electrify the people so that they will know the true situation, and you, gentlemen, who have held up his hands in former years, you will sustain him and hold up his hands, for you are the convention right here, and this has the most responsibility today, for his victory is ours and ours is the people's. (Applause.)

CHAIRMAN HUGHES: The chair is informed that one of your committees desires to report. It is the last committee appointed. Are you ready for the report?

A VOICE: Give us the report.

MR. BUELL (Chicago): You understand that Mr. Cowan

was the chairman of this committee, but he had to go elsewhere, and he imposed upon me the making of this report. We met the gentlemen consisting of five members from another convention. They made the proposition to us, that they had been accredited to come and say to us that they were the convention, and that they asked us to come and join hands with them. (Laughter.) Our chairman, Mr. Cowan, said to them that our instructions were to simply receive from them in writing any proposition that they wanted to submit to this body. They had in writing a resolution, I would infer, which, by the instructions of our chairman, I will read, as follows:

*"Be it further resolved*, that inasmuch as there is an overwhelming majority of the duly accredited delegates here present, we declare this to be the duly called convention.

*"Be it further resolved*, That a committee of five be appointed by the chair to so notify the minority delegates now in session in Steinway Hall and invite them to be present."

Your committee simply have discharged the duty imposed on it, and makes this report without recommendation.

MR. KERN (of Indiana): I ask the unanimous consent for the passage of this communication.

*Resolved*, That the so-called convention assembled in Studebaker Hall for the purpose of aiding the railroad companies to defeat the efforts of President Roosevelt in behalf of the people, has assembled without authority of this association, but fairly represents the corporate forces under the direction of which it is in session.

*Second*, That its statement to the effect that any duly accredited delegates to this convention are in attendance upon the Studebaker Hall railroad convention, is absurd and false. The delegates to this convention are here in session, enthusiastic in their support of President Roosevelt's declared policy, and do not propose to make any alliance or compromise with the enemies of the people.

I move the adoption of the resolution.

CHAIRMAN HUGHES: Under the rule adopted for resolutions, this resolution must go to the committee on resolutions.

MR. CHETTELWORTH (Indiana): I move the suspension of the rules and the adoption of these resolutions.

The motion was duly seconded by Gov. Van Sant.

CHAIRMAN HUGHES: You have heard the motion. All in favor of the motion signify it by saying aye; contrary, no. The motion is carried.

The chair requests that all who have resolutions present them in writing, and they will be referred to the committee on resolutions without discussion with the exception of this last resolution.

R. H. WEST: How about the resolutions?

CHAIRMAN HUGHES: They were carried.

MR. WEST: The motion which was carried was to suspend the rules.

CHAIRMAN HUGHES: The motion is made to suspend the rules and adopt the resolutions. All in favor of the motion will signify it by saying aye; contrary, no. The motion is carried.

MR. COWAN (Texas): I want to request the chair to an-

nounce to the delegates that the resolutions committee will undertake to pass on any resolutions tonight, and they will probably have some important resolutions to report by 10:30 tomorrow morning, and to request that the chair urge upon the members to be present at 10:30, in order that they will pass upon the material matters that will come before this convention, as expressive of its judgment, and its sentiment on the points for which we are called here.

Having made that request, I desire now to call the chair's attention to the fact that the report of the committee on permanent organization recommends the appointment of a finance committee for the purpose of providing ways and means and money.

CHAIRMAN HUGHES: I had overlooked that. The chair will be very glad if the convention will assist him in appointing that committee. The chair will announce such committee in the morning, if that is the pleasure of the convention; unless the convention desires to assist the chair by nomination now.

MR. CHATTELWORTH (Indiana): Mr. Chairman, I move you that we have a roll call by states for the purpose of introducing resolutions. There are evidently several matters, and I think a roll call by states will facilitate matters and get the resolutions before the committee.

CHAIRMAN HUGHES: They may be handed to the secretary.

MR. HIGBIE: Mr. Chairman, your temporary chairman was directed to send a telegram of sympathy and condolence to Mr. Bacon of Milwaukee. I sent such a telegram, and I received his reply, which I will read, as follows:

"R. W. Higbie, Temporary Chairman, Interstate Law Convention, Steinway Hall, Chicago: Your greetings and expressions of confidence are greatly appreciated. My inability to be present is a hard trial. I have full confidence in the energy and determination of the convention, to support President Roosevelt in his wise policy on rate legislation.

(Signed) "E. T. BACON."

CHAIRMAN HUGHES: The Chair is requested to announce that the committee on resolutions will meet at the Auditorium at 7:30 to-night.

MR. FARLEY (Texas): I move that the convention stand adjourned to 9:30 o'clock tomorrow morning.

Motion seconded and carried.

## MORNING SESSION.

October 27th, 1905.

The meeting was called to order shortly after 10 o'clock a. m.

CHAIRMAN HUGHES: The convention will please come to order.

MR. McKENZIE (Colorado): I was unavoidable absent yesterday from this meeting. Nothing has happened for a long time that I regretted so much, but it was something over which I had no control.

CHAIRMAN HUGHES: Mr. McKenzie, come up to the platform, we want to hear you. Gentlemen, Mr. McKenzie is a member of the executive committee and was unavoidably absent yesterday. He is the best worker we have in the whole West. He

has this honest, direct Scotch way of saying and doing things. Mr. McKenzie, the gentlemen want to hear from you. Please come up on the platform.

Mr. McKenzie accepted the invitation to the platform, and spoke as follows:

MR. McKENZIE: Mr. Chairman, you flatter me. Gentlemen, I can only say that I am proud to be with you. I was not asked this morning to subscribe to the requirements for coming in here, and it was not necessary to ask me to subscribe to anything of the kind, when I meet a lot of people who are in favor of such a measure as this.\* You all know how I stand. The only thing that I regret is that I was not with you so I could help in making the other fellows go faster than they did. If my foot could be used in any way to help them on their way, they certainly would get the use of it. Now, gentlemen, we are in a great fight. Yesterday's proceedings will give you an idea of what we have to stand up against. We have the money powers of the East and the money powers of Wall Street against us, and it is for you gentlemen to stand up and make one of the most gallant fights ever made in this country. I do not think I have to ask you to do this, because I see before me gentlemen who have been with me and my friend, the chairman, in this fight.

Now your opportunity is here, and all we have to do is to take advantage of it. Let us not go home and say that all the work is done. It is only commencing.

I had a letter from a friend a short time ago who had received a letter from a railroad official. This railroad man seemed to be very much hurt at some of the allusions that were made to the Interstate Commerce Commission. I wrote to this man and told him that I presumed that if the railroad officials were as sensitive as that to what we had done in the past, that they would have very good reason to be sensitive as to what we were going to do in the future.

Now, gentlemen, all we want is the support of the country, and we will have it if we can only make the country fully aware in earnest of what we have undertaken and what we have behind us and in front of us. We want something for the whole country, not for one individual only, not for one industry alone, but for the whole people at large. That is what we are after, that is the kind of a bill we want. We don't want a bill to benefit one single community, we don't want a bill to benefit one single industry; we don't want a bill that will help New England, or a bill that will help manufacturers; we want a bill that will protect the producer and consumer of this country. He is the man we are here to support, not the people who have more money than they know what to do with. They are the ones that are fighting us with our own money.

I ask you, gentlemen, I ask every man here, every delegate to this convention, to go home and try to get as many converts to our cause as he can. The only thing you have to do is to explain our position. You don't have to put your hands in your pockets to pay fares here to Chicago to fight us; all he has to do is to explain to the producer and the consumer that we are here to support them, that we are here to get a square deal for them. Whenever you show them that the entire country will sweep



around in favor of our grand President, and we shall get a bill when Congress meets that will bring all this about.

I thank you for listening to me.

MR. CAMPBELL (of Ohio): I rise to a personal explanation this morning. The Chicago press has generally treated this convention very fairly in their reports, for which this convention is thankful. They want nothing but a fair report.

A VOICE: Louder.

MR. CAMPBELL: I say, we are indebted to the Chicago press generally for a favorable report, a fair report of the proceedings of this convention. But the Chicago Post of last night in an article which is inspired from railroad sources evidently throughout, has branded Col. John W. Kern of Indiana, and your humble, servant, Mr. Campbell of Ohio—not ex-Governor Campbell, as some of the papers here have reported. I beg the pardon of ex-Governor Campbell, but I do not want to be put in the position of being here as a Democratic representative from the State of Ohio. I am a Republican, and my name is Campbell, and I was lieutenant-governor of the State of Iowa for several terms, and they have got us a little bit mixed along that line. I want to get started right in this fight, gentlemen, because I have been in this fight since 1870, and I would be in it until 1970, if I could live that long (applause), and I do not want to be written down by a newspaper man and started here as a Socialist and branded as a Socialist in this convention; when I stood upon this platform yesterday and said to the mayor of this city that I was not in sympathy with him on his Socialistic ideas of government ownership.

The Chicago Post of yesterday said: "Among those who spoke and insinuated that all those in the other meeting were being paid by the railroads were John W. Kern of Indiana, and Deputy Campbell, formerly railroad commissioner of Iowa. Each was earnest in describing the need of rate legislation, and Mr. Campbell asserted that Socialism would control the next election if rates were not placed in the hands of a new Interstate Commerce Commission."

Mr. Campbell did not say anything of that kind. Mr. Campbell has no sympathy with Socialism. Mr. Campbell wears a button that is testimony enough of him to the people of this country (applause), that he is not in sympathy with Socialism or Anarchism. You have got two kinds of Anarchists in this country, gentlemen, among those who are in high places, they are no better than those who were down in the gutters, when it comes to a disobedience and setting in defiance the law.

I say this, and I want to be understood as being against these discriminating practices and in favor of rate legislation and the position of the President, and I am going ahead to take up that fight for the future. I have been in correspondence with Mr. Bacon for years on this question, and I realize the magnitude of the fight that we have on our hands. I do not want to be written down as a Socialist for the purpose of destroying my influence, and I want the press to state where I stand on this question.

I am for the President and the position he occupies in favor of reasonable legislation, such as was recognized as the law of

the land for twelve years incontrovertibly until the court set it aside. We want to get right back to that place where we were. That is where I stand, gentlemen. I have no sympathy with Socialism; but I do say—and I said it then, that if the kind of rate regulation that we are advocating here is Socialism, we are all Socialists. That is not Socialism. We have been branded by the railroads along that line, and there is where that remark came from. I have no sympathy with Socialism, and I want to be set right on that question. (Applause.)

CHAIRMAN HUGHES: Gentlemen, the report of the order of business presented yesterday made it the duty of the chair to appoint a finance committee. The chair makes the following appointment of a finance committee:

R. S. Lyons, of Chicago.

Judge Mason, of Virginia.

Col. J. T. McHugh, of Ohio.

Murdough McKenzie, of Colorado.

F. O. Story, of California.

Gentlemen, I am informed that the resolutions committee will very soon be ready to report. That is one of the first things we want to get before the convention this morning. That report is due here at 10:30. I am advised that it will be here now in five or ten minutes—in the meantime—

MR. KINDEL (of Chicago): If you have five minutes to spare could I relate some of the experiences with Colodaro freight rates during that time?

CHAIRMAN HUGHES: What is the name?

MR. KINDEL: George K. Kindler of Denver.

CHAIRMAN HUGHES: Mr. Kindler, we would be pleased to hear from you.

MR. KINDEL (of Denver): Mr. Chairman and gentlemen of the convention, I presume as a layman I have had more experience with the Interstate Commerce Commission, both in Washington and in Denver, my home, than any one citizen. I hold in my hand a brief of the last case, that of cotton piece goods. The facts in this briefly stated are as follows: The cotton piece goods are shipped by freight from the Atlantic coast to the Pacific coast at 90 cents a hundred in car lots. This is simply cotton piece goods which enters into my business, and I have to pay \$2.24 a hundred to drop it off at Denver. In McClure's Magazine of this month is an article in which a reference is made to a merchant in Denver, which I am, and I gave the facts to them, and that article conservatively stated that Denver is a thousand miles shorter haul. The fact is, we are 1500 miles shorter haul. They also stated that the other rate is one dollar; it is 90 cents. They mentioned classification. The things that we want to do here, among them is, we want to get a universal classification. The classification in the eastern portion is 15 per cent less than the southern. Chicago pays from here to Omaha 20 mills per ton per mile, and from Denver to Omaha it is 50 mills per ton per mile, and from Denver to Cheyenne it is 110 mills. I never was a contender of low rates. I am on record as saying that the rates are generously low from the Atlantic to the Pacific; that if they would raise them 50 per cent they would still be plenty low. I said that, and they took the hint, and the rates have advanced

50 per cent, and nobody has made any kick. We are not to preach for low rates, or the confiscation of railroads, but we are in favor of fair play.

Somebody, I notice, made a remark in the paper yesterday that if the rates of President Roosevelt or his suggestions were enforced in the New England States, that those States would be fit for nothing but educational institutes and seaside resorts. I know that if the present conditions prevail that Colorado will continue to be simply a one lung hospital and a globe trotter station. (Laughter and applause.)

I am surprised at the Kansas City delegation that attended the other meeting. Kansas City does not know evidently that they are not in it when it comes to shipping to the Orient or to South Australia. When a week ago I had occasion—a week or ten days ago—to ship from Colorado to Sydney, Australia, they charged us \$3.50 a hundred. In order to get the low rate we were compelled to ship back to Chicago and Chicago through Denver to the coast and on to Sydney in order to get the \$1.75 rate.

I see that our chairman has offered to debate the question with any of the men on the other side. I will be glad to second him with such figures that I have, and I know that we can knock them out. If Kansas City wanted to ship to Sydney, Australia, they would have to pay \$2.50 to the Pacific coast, and 60 cents by ship, which would make it \$3.10, and they would do better to ship it back to Chicago in order to get the low rate. Is there any sense or logic in such a rate?

They told us at the commission, Mr. Biddle, of the Santa Fe, now of the Rock Island, he was asked what it is that constitutes a reasonable rate. He said a reasonable rate is a rate for a reason. (Laughter and applause.)

Mr. Monroe is on record as having answered that question that rates are made by instinct. The judge wanted to know how he would decide, and what his line of thought would be if he could go by instinct.

Gentlemen, I would recommend that you read McClure's this month. That article is very conservative. Talk about the short haul within the long haul; that is a fundamental principle of the interstate commerce law.

In our State of Colorado, where Mr. McKenzie comes from, if he wanted to ship to Cheyenne, he would have to pay more than he would if he were to ship from Omaha. These are the kind of things we are encountering.

The raw materials in many cases are much higher than the manufactured goods. When the Brown Palace Hotel was supplied with hair goods, they were supplied from the East, and it was at a disadvantage of \$370, which I had to pay, more than the Eastern people. Of course, I was not in it.

That is one of the many examples. They say that we should not ask for more power. Thirteen months have elapsed since the hearing on the cotton goods case, and we have not got a verdict or a ruling by the commission. I want to see that commission act and given power to see whether or not \$2.24 is right. It has not acted as yet, and it has not that power. I want to see if it would not be fair to drop it off at Denver. That is the point.

Mr. N. B. Kelly (Secretary of Trades League of Philadelphia): Are not cotton piece goods manufactured in Denver?

MR. KINDEL: They used to be.

MR. KELLY: Are they not manufactured there now?

MR. KINDEL: No, they are not.

MR. KELLY: Do you know why the railroad rate from New York to California are as low as they are from Chicago to on transportation.

MR. KINDEL: What is that? I did not understand you. Repeat the question.

MR. KELLY: Do you know why the railroad rates from New York to California are as low as they are from Chicago to California?

MR. KINDEL: They do not make a rate—oh, yes, they do, to California.

MR. KELLY: Do you know why they do?

MR. KINDEL: Because of the water competition, they say, and other things.

I would say right now that I have had Mr. Smur on the stand. He is one of the greatest railroad rate men there is, and he made the statement that if it was raised one and a half per cent per mile it would not be extortionate. I made him an expert witness.

MR. HORTON: I would ask the Chair to request the gentleman who asked the question what official connection he has with the other convention, and also state by what means he got in the convention here.

A VOICE: Oh, he is all right.

MR. KINDEL: I want to say that we have no evidence there from Mr. Smur, and Mr. Smur having established that a fair and reasonable rate, what it is, I put him on as an expert to establish what a reasonable rate would be on Colorado and Utah traffic.

MR. FARLEY (Texas): Mr. Chairman, isn't the committee on resolutions ready to report?

A VOICE: Let him go on.

MR. KINDEL: I asked him if a hundred per cent higher would be a reasonable rate. He evaded the question. I asked him as an expert whether 200 per cent would be a fair and reasonable rate. He made no answer. I then asked him if 300 per cent would be a fair and reasonable rate, and I ran him up like an auctioneer to a thousand per cent. He looked like a man hunting a hole to crawl into. We are not paying 1,000 per cent greater, but we are paying 2,000 per cent greater.

Now, I am no lawyer, but I am a layman. I just want to read from something which the school boys have. I just want to read a part of the constitution of the United States:

"We, the people of the United States, in order to form a more perfect Union, to establish and insure domestic tranquility, to provide for the common defense, promote the general welfare"—

General welfare, commercial as well as otherwise.

"—to secure the blessings of liberty to ourselves and posterity, to ordain and establish this constitution of the United States."

That is the constitution of the United States. I wish to add

that Chief Justice Jay is on record as having said that that embraced all the powers that were necessary to make the people happy. They say that it is unconstitutional for us to make the rates and to give the powers to the Interstate Commerce Commission.

I have here the opinion of an eminent constitutional lawyer, Mr. H. B. Riley of Denver, and I will not take up the time to read it.

CHAIRMAN HUGHES: The committee on resolutions is ready to report.

A DELEGATE: There is a gentleman here from Kansas looking for the members of his delegation. He says he can only find those who quit the regular convention on the adoption of the resolution in favor of President Roosevelt's policy. He would like to find his colleagues. He says he has only been able to find those who went to the other convention.

MR. BALDWIN: Mr. Chairman, I wish to move that all informal discussions on motions or resolutions be confined to five minutes and speeches or an address by invitation be limited to twenty minutes.

The motion was duly seconded.

CHAIRMAN HUGHES: You heard the motion that addresses upon motions and resolutions be confined to five minutes and all formal addresses upon invitation, to twenty minutes. Are you ready for the question?

MR. FARLEY (of Texas): I move to make that ten minutes.

MR. COWAN: Before the motion is put I would like to be permitted to speak on it. We must transact the business today, and of course the Chair and the gentlemen of the convention will endeavor to be as brief as possible, but I think that the formal speeches by those who have been invited to deliver them should not be exactly limited to twenty minutes. We have here Mr. Call of Los Angeles and Mr. Rosewater of Omaha. If they are favorable to the motion, I have nothing to say. But we should not be too particular, it seems to me, to exactly limit them by an arbitrary rule. The Chair can probably control that and the delegates realize that we must dispose of the business and everybody will cut their remarks as short as possible. I don't think we should make an arbitrary rule with respect to that. I mention that simply that you may understand it. At least two gentlemen have prepared addresses and mine might take somewhat longer. If you are going to fix by arbitrary rule, I believe the motion ought to be amended so as to make formal addresses by persons who have been invited to address us a limit of twenty minutes instead of ten minutes.

A DELEGATE: I think this motion ought to pass. If there are special cases in which gentlemen are present to deliver addresses we can, for the time being, suspend the rules and give them more time. Let us pass the resolution.

A DELEGATE: I think that ought not to apply to the chairman of the Committee on Resolutions. Speaking on the adoption of that report.

MR. HUGHES (of California): I would like to say this on behalf of the Committee on Resolutions. The number of resolutions on different subjects that were brought into the Com-

mittee on Resolutions were innumerable. If more than five minutes were permitted each speaker this session would last until midnight, and you would find the delegates who were compelled to go home this afternoon leaving the hall.

**THE CHAIRMAN:** The chairman cannot recognize any gentleman who does not give his name and address. Our minutes would be very imperfect. We would be glad if every gentleman addressing the Chair would give his name and home distinctly.

**MR. DOUGHERTY (of Houston, Tex.):** It has been alleged that this Convention is one that will not permit free discussion. It is a fact, as I understand it, that the United States Senate has an unlimited time in which to discuss questions and that they are most obstinate in their ideas as to the time necessary for accomplishing their end. The resolutions which are to be passed by this Convention are the resolutions upon which this convention is to go before the people of this country. Now, gentlemen, I hold that it is improper to cut off discussion within five minutes, and not permit these matters to be properly discussed and properly presented to the country.

**MR. ATKINS (of Bement, Ill.):** Mr. Chairman, I represent the Illinois Farmers' Association, composed of ten thousand farmers of the State of Illinois. I think that the members of this Convention understand the questions which are to be brought before it. I think I understand the purport of these resolutions, although I have not seen one of them. I think if we allow 15 or 20 or 30 minute speeches in this convention we won't get through for a week. I think every member understands the purport of the resolution. I would like to see the resolution passed so that we can get through and get back to our business, and I think a good many other delegates think this way.

**CHAIRMAN HUGHES:** Will the mover state the motion again with the amendment?

**MR. BALDWIN:** I move that all informal discussion on motions or resolutions be limited to five minutes, and all speeches or addresses on invitations be limited to 20 minutes. Gentlemen, are you ready for the question?

**MR. CALL:** On behalf of the Committee on Resolutions, I desire to state that we shall not require more than 20 minutes in speaking to these resolutions. The subject under discussion has been before the country for 20 years. One of our criticisms of the Senate of the United States is on account of their deliberateness. During the present recess of Congress they are taking further testimony on what we claim is shown by the history of our country. I desire to say that I am in favor of the resolution.

**MR. CHAIRMAN:** Gentlemen, you have heard the question, that all informal discussion on resolutions be confined to five minutes and addresses upon invitations to 20 minutes.

The motion was then put and carried.

**MR. CALL:** Mr. Chairman and Gentlemen of the Convention: On behalf of the Committee on Resolutions I have the honor to submit the following report:

The Committee on Resolutions of the Interstate Commerce Law Convention held at Chicago October 26th, 1905, has the honor to report as follows:

*Resolved*, 1st. We, the delegates assembled in convention at Chicago under a call issued to these commercial, producing and manufacturing organizations that sustain the President of the United States in his publicly expressed views as to the Interstate Commerce Law amendment, congratulate the country that Theodore Roosevelt, as President of the United States, has shown his wisdom and patriotism in presenting to Congress constitutional, effective and just measures for the regulation of Interstate Commerce that shall provide for the people a national tribunal with power to substitute a reasonable and just rate of classification for one proven to be unreasonable and unjust, and yet, that shall preserve for the railroad just and reasonable control over their property and revenue.

We also commend the House of Representatives for having shown a spirit of earnest co-operation with the President in his efforts to thus remedy transportation needs.

2nd. We specifically agreed with the President that the only constitutional and effective methods for the supervision of rates, classifications and practices is by amending the Interstate Commerce Act so as to provide that: "The Interstate Commerce Commission should be vested with the power where a given rate has been challenged and after a full hearing found to be unreasonable to decide, subject to judicial review, what shall be a reasonable rate to take its place; the ruling of the Commission to take effect immediately, and to obtain unless and until it is reversed by the Court of Review."

3rd. The amendment of the Interstate Commerce Act should be sufficiently broad to cover all interstate transportation services, including all charges, regulations and exactions in connection therewith, whether provided by railroads themselves or through arrangements with others.

Duly signed.

MR. CALL: Gentlemen of the convention, I read in the constitution of the United States that the supreme and absolute power to control interstate transportation has been vested in the Congress of the United States. I read in the decisions of our Supreme Court running through a period of half a century that the regulation of Congress includes as one of its chief factors and functions the control of rates for transportation. I read in the reports of bureaus and departments of this Government, in the testimony filed and taken before committees of the Senate and of the House, that the actual control of interstate commerce is not in the hands of Congress today; that is, not in the hands of any bureau, department or officer of the United States; that two-thirds of the mileage of the railways of the United States is in the immediate control of less than half a dozen corporations, and that the whole of it is in their indirect control; that these half dozen corporations are manipulated and controlled by less than a dozen men; that these less than twelve men today control the vast power to regulate the commerce of the United States which was conferred upon Congress by the makers of the Constitution, a political power, a governmental power that never was intended to be vested in individuals or private corporations.

What we demand is that that power to regulate commerce,

that political power, shall be resumed by the Government of the United States and restored to the Government for the protection of its people. (Applause.)

It is a remarkable coincidence that these dozen men who manipulate and control the commerce of the United States have names which are familiar in other organizations. These same names we read in connection with the infamy perpetrated through the life insurance companies of this country. Those same names appear in the directory and among the officers of the great trusts of this country. That is not a coincidence, gentlemen, but it is a fact that the same persons control all those instrumentalities, and they all have been built up through the same methods of manipulation.

These gentlemen are not to be disparaged by me. I am not here for saying aught against them in their personal characteristics or traits. They are industrious men, and they are said to be good men. Part of the time they have at their command they spend in Sunday School praying to God to make them good, a part of the time they spend in playing golf, and part of the time they spend in establishing libraries and other institutions where their names shall be engraved in enduring granite and handed down the centuries. But the greater part of the time of these gentlemen, I undertake to say, is spent in devising new ways and methods for increasing the cost of the necessities of life in the United States, to increase the cost of food, of clothing, of transportation, and thereby food products, and to make it dearer for the vast population of poverty stricken people in the cities of this country to make out an existence.

No man can say what has been the increase in the death rate of the cities of the United States by reason of the increase in the cost of fuel, of clothing, of food, and of necessities which has been brought about by the manipulation of these trusts and organizations which owe their existence solely to the manipulation of railroad rates.

Gentlemen of the convention, the first great act intended to govern interstate commerce was passed by Congress in 1887. It was amended in the two years following, and that act as thus amended provided among its essential features that all rates for transportation should be just and reasonable. The Interstate Commerce Commission, composed of five men, was created to administer that act, and the commission was specifically empowered to enforce all of the provisions of that act.

The commission supposed and the country supposed that the power to enforce all the provisions of that act included the power to prevent unreasonable and excessive charges prohibited by that act, and they acted upon that theory for more than nine years. Hundreds of cases decided by them in which they controlled rates have been certified and filed with the select committee on interstate commerce as illustrating the power which the commission assumed and exercised for more than nine years without question from any part of the country.

In March, 1896, the Cincinnati railway case came before the Supreme Court of the United States, involving directly or indirectly the question of the power of the commission to fix rates,



and there for the first time in March, 1896, the Supreme Court of the United States said that they did not find in the interstate commerce act any provision empowering the Interstate Commerce Commission, directly or indirectly, to fix a rate for transportation.

At the next session of the Supreme Court another case came before the commission involving the power of the commission to prescribe a maximum rate where the existing rate was found to be unreasonable, and the court there assumed that it had already decided in March, 1896, in the 162 U. S. reports, that the commission had no such authority or power.

I much prefer to read the dissenting opinion of Judge Harlan in that case, as showing the sound law governing that subject, and the proper construction of the laws than the opinion of the majority of that court. I am not here to say that any decision of the Supreme Court of the United States once rendered, whether by a divided or by a whole court, is not the law of the land. It is the law, whatever that decision may be, and I am not here to dispute it. (Applause.)

But a decision of the Supreme Court of the United States performs two offices. It is a decision upon the right of the parties involved in that particular case, and it is authority in other litigations only so far as it is well founded in law and reason: and I prefer as a precedent and as an authority the dissenting opinion of Justice Harlan to that of a majority of the court.

But be that as it may, the court has declared that the commission does not have the power to prescribe maximum rates, although the court said in those very cases that if Congress had conferred that power upon the Interstate Commerce Commission, that it would have been a constitutional exercise of power by Congress. (Applause.)

The court cited numerous decisions, one of that court and of other courts, showing that it had been well established and thoroughly sustained as constitutional law that the power to supervise railway rates and determine in particular cases maximum rates, was a lawful exercise of power which could be delegated to a commission or administrative body. The court claimed and decided solely that Congress had not specifically given that power to the Interstate Commerce Commission.

What we now ask is that that power be restored to the Interstate Commerce Commission which the whole country supposed for nearly ten years that they possessed, and which they actually exercised for the greatest benefit of the entire country and without question from the railway interests.

A most remarkable, in my opinion, result followed from that decision of the Supreme Court. I think that no decision since the Dred Scott case has had greater influence upon the affairs of this country than that decision of the Supreme Court which I have just referred to. There had long been and still is a cardinal principle in the interpretation of laws, and the construction of statutes, that corporate powers, powers claimed by corporations against the sovereignty, against the state, and against a nation were to be strictly construed, and in case of ambiguity or doubt, that all such power should be withheld, and the con-

struction should be favorable to the nation or to the state.

Now, consider for a moment what the question was before the Supreme Court in those cases. The Interstate Commerce Commission, a great administrative body of the United States, claimed the power to control railway rates, and to deny them that power operated immediately and by indirection to confer that power upon the railways, a power which was not given by the Interstate commerce act.

You will read the interstate commerce act in vain to find any provision in that act specifically empowering the railway companies to fix and determine a tariff of railway rates. Yet the effect of the decision was to take this power away from the one or to confer it upon the other, and thereby the court by indirection conferred that power upon the railways where it has since been vested and has ever since been exercised.

I am not criticising the court for the effect of that decision, because it was a necessary result of what they decided as a matter of law, and Congress has had ten years in which to correct the wrong and to remedy the evil, but has not done so.

In the year of 1896 the railways of the country were not in a fairly unprosperous condition. In the following fiscal year ending June 30, 1897, the net income of all the railways of the United States averaged per mile of road \$3,700. The net income per mile was \$2,700. In the seven years succeeding the decision of the Supreme Court denying governmental supervision over rates, the net income of the railways of the United States had increased on an average to \$4,137 per mile. (Applause.) That was the immediate effect of denying a public control over interstate commerce to the Interstate Commerce Commission. It enabled them to bind and to fix any rates they wanted to fix.

I would like to impress upon you gentlemen of the convention that there does not exist in the United States today any power in the law to restrict a railway rate. There is an erroneous impression that the Interstate Commerce Commission may by some indirect method reduce railway rates. I want to state to you that there is no such power in the law. No difference what a railroad rate may be, it cannot be reduced by the Interstate Commerce Commission. It cannot be reduced by the commission and by the courts together, nor can it be reduced by any authority in the United States Government. That power is absolutely vested in the railways today, and the only recourse which the people of this country have is to recover excessive overcharges.

The fifth amendment of the constitution of the United States, which provides that no person shall be deprived of life, liberty or property without due process of law or without compensation, applies to the Government of the United States and to all its instrumentalities, including railways exercising franchises and powers under the United States.

The provision of the fifth amendment was taken bodily from the great charter of King John, and it has been in existence in this country for three quarters of a century before the 14th amendment was ever passed. The 15th amendment to the constitution of the United States applied to the states, and it prohibited the states from denying to any person life, liberty or property without due process of law.

I rely upon the fifth amendment to the constitution of the United States for the protection of my clients from excessive overcharges by railway companies. I know that they have no other remedy and no other right under the laws today but that contained in the charter of liberties of the English people.

It has been the favor in past times of the railways in this country for twenty years to go before the courts of the United States under the 14th amendment, and to say that the state through their boards of commissioners have deprived the railways of their property without due process of law, because through those commissioners rates have been fixed that did not yield the railways a profit upon the investment; and the courts have uniformly held that where rates have been fixed too low to give a return upon railway property, that such a rate is a denial of property without due process of law, in violation of the 14th amendment.

But how about the 5th amendment to the constitution of the United States operating upon this? It is under the provisions of the constitution that the people of this country will obtain their sole protection unless and until they can secure through Congress a law which resumes to the United States the regulation of commerce. (Applause.)

CHAIRMAN HUGHES: Gentlemen of the convention, the committee on finance is requested to meet at once in one of the rooms in front, as they probably will have work to do immediately before the convention adjourns. The committee are requested to hold their meeting at once.

MR. VAN SANT: Mr. Chairman, I desire to second the motion for the adoption of the resolutions just read.

We have come to the parting of the ways. We stand here for a principle deep-rooted and firmly settled in the hearts of the American people. There must be a separation of the sheep and the goats. We claim to be the sheep. The goats have held a convention in another hall. What is the main object of the goat in life? It is to buck, and they are bucking the President of the United States and the American people. (Applause.)

These resolutions are terms and to the point. They are our platform and we stand upon it and proclaim it to the world. We will fight it out on this line, and I am glad they are so short and so brief.

I see another good evidence in this meeting. I come from the North Star State and I am glad to meet the men from the Lone Star State of Texas. Minnesota and Texas can shake hands on this proposition, and it means something when an old Confederate soldier and a life-long democrat can stand upon this platform and say that he stands with the President of the United States for rate regulation. It means something when men come here from Florida and Georgia and other states in the South and join with us. It means to me a Union, a new proposition, a new platform wide enough for every man in America, north or south, to stand upon. (Applause.)

Let us go from this meeting resolved that we will not only resolve, but that we will earnestly labor for what we believe in.

This is a fighting age, the greatest age and the greatest era

the world has ever known, and if you want a thing you must not only ask for it, but you must fight for it and fight hard until you get it. We know what we want, and we are here for that purpose. Do not be deceived and think that this will be an easy fight. It will not.

No less a person than a traffic manager told me last night that it was their purpose to organize every voting precinct in this country as business men to oppose this wild scheme of ours to give to a certain commission selected by Congress the right to change a rate when it is unreasonable. We are ready for the fight. Let us buckle on our armor and enter the contest like men, and not be deceived, because the odds are great. Remember this, gentlemen, that the greatest victory comes after the hardest fighting; that everything we have won in America has been against hard conditions. It makes men, and let us be men. (Applause.)

MR. DOUGHERTY (Texas): I wish to offer an amendment to the resolution that we insert before the word "rate" "maximum rate." (Cries of "No.") Gentlemen, when we take into consideration the question of the thirteen billions of dollars that are to be effected by—

CHAIRMAN HUGHES: Mr. Dougherty is out of order. There is no motion before the house. The chair heard no motion to adopt the report of the committee on resolutions. We had a second, but was there a motion to adopt it?

MR. DOUGHERTY: Governor Van Sant—

A DELEGATE: I second the motion.

CHAIRMAN HUGHES: You can speak to the motion, Mr. Dougherty, to adopt the report of the Committee on Resolutions.

MR. DOUGHERTY: Gentlemen, as I have stated, we want to place ourselves in the strongest possible position to make this fight. A maximum rate as has been stated, is satisfactory provided the bill enacted by Congress grant to the Commission that power. The President of the United States does not do things by indirection. He comes squarely to the front. No gentlemen, the United States government has expended at Galveston about two million dollars in deepening a harbor there. Prior to that time, to the time of that work, the rate on grain from Kansas City to Galveston was 45 cents a hundred pounds. To-day the export rate on grain from Kansas City to Galveston is 18 cents a hundred pounds.

A VOICE: What is the freight rate?

MR. DOUGHERTY: What is that?

A VOICE: What is the freight rate? What do you have to pay as the freight rate?

A VOICE: Twenty-seven and a half cents.

MR. DOUGHERTY: There is one other feature that has not been presented to this convention, and that is, that American citizens have got to compete in foreign markets. The American wheat grower has got to compete in European markets with the wheat grower of Russia and the wheat grower of Argentine. If by deepening our channels and improving the transportation facilities the wheat growers west of the Mississippi are enabled to export their grain and sell it in foreign markets, that leaves

to the farmers east of the Mississippi river, Chicago, Cleveland, Buffalo, New York and Boston, as their market.

(Cries of time.)

MR. DOUGHERTY: Suppose we make it in this way, and these gentlemen who raise grain west of the Mississippi river would have to be taken to this market, the wheat would have to be taken and it would damage every industry in the country.

(Cries of time.)

MR. DOUGHERTY: Gentlemen, there is not time enough to discuss this question.

(Cries of time.)

MR. COWAN (Texas): Mr. Chairman and Gentlemen of the Convention: I have avoided in every possible way the consuming of your time. I would like to save myself somewhat but I have been too busy to come before this convention.

Mr. Dougherty misapprehends the sense of this resolution, I believe. This resolution only provides for the establishment of a just rate, one that is fair, one that is correct, and that must be left to the judgment of somebody. We think it cannot be left to the judgment of those who get the money. It would not be fair to leave it to the judgment of the men who pay the money. Hence, it must be left to the judgment of some tribunal who can fairly arbitrate it between the man who gets the money and the man who pays the money.

Now, with respect to the maximum rate proposition. I want to call the attention of the convention to some point wherein you will see that it will not do for this convention to undertake to prescribe the exact term of it. The President has said in his last speech, as I understand it at Raleigh, that the commission ought to be empowered to fix a just and reasonable maximum rate. Whether the President said that or not I do not know, but I believe he did. The newspapers so reported it. This is as much as the Commission ought to do, where it is simply to pass upon the rate itself, alone.

Now let me put a case before you to illustrate wherein the law cannot be enforced simply by the establishment of a maximum rate. The Interstate Commerce Commission held that the railroads ought not to charge a greater sum for the transportation of livestock than the transportation of the products of livestock between the Missouri river and Chicago. The Commission made this ruling throughout the country. Their ruling is that rates should be higher for the goods that are more valuable. They have all complied with the ruling of the Commission that was given in 1890.

Now, the difficulty lies in the fact that the commission cannot fix just what the rate will be. It cannot name the rate. It can only say, "You shall not charge the particular rate you are now charging," but the law does not permit them to indulge in the conclusion. "But you shall charge a rate that is a particular one." Suppose there is a just relation between the products of the livestock and the livestock itself and suppose this tribunal finds what it ought to be? If it simply fixes the maximum on it you can see that the roads would be less free to change that relation of rate and yet disobey the order of the Commission.

Let me suppose another case. Take a case at Wichita, Kansas, and Omaha, Nebraska, and take the shipment from St. Louis and say that the charge is that the Missouri Pacific Railroad discriminates between those places by charging a higher rate to Wichita than to Omaha, and the merchants at each place are competing for business situated half way between the south line of Nebraska and the north line of Kansas. How would it be possible for the Commission to fix a just rate which would not amount to a discrimination unless it fixes what the rate shall be? It would not suffice to fix the maximum rate for the roads could comply with the order of the Commission and keep up the discrimination.

There are many of these difficulties which we cannot here decide. Now, then, you must leave to Congress all these powers, and it can take time and carefully consider it and provide the precise language of the law.

The Attorney-General of the United States, on being called upon by the Senate Committee to do so, gave an elaborate opinion with respect to the power of Congress over the discrimination of rates and he limited the power to fix a maximum rate. He claims that it is a correct decision. That would not, however, affect the right of Congress to fix the exact rate where it is necessary in order to prevent a discrimination.

It seems to this Committee, which has made this report, to be wise for this convention to simply stand by the general principle announced by the President that Congress should provide the method for fixing the just, fair and equitable rates, and leave the precise language and method of it to Congress to provide, because you cannot yourselves, now, prepare a bill and present it. We believe the action of this Committee ought to be adopted so that it will go before the country that you have exactly endorsed the general expressions of the President and stand ready to help him out and that your Executive Committee stand ready to aid in the detail of making the proper law in order to fix the rate.

MR. DOUGHERTY (Texas): I would like to get the members of the Finance Committee together, and I would like to ask the other members of the Committee to meet in some room close by here so that we can get to work.

MR. McKENZIE (Ohio): Mr. Chairman, it is reported that the President is to be wired by the other Convention that it does not want the powers of the Interstate Commerce Commission changed as we are trying to do it. I am here as a representative of the Ohio State Grange, with a membership of 40,000, and I say to you, I assure you that our membership is a unit in its demand and desire to stand by the President. I believe that every farmer in Ohio will do so. I am also a member of the executive committee of the National Grange Association and we will meet in Atlantic City next month, and the first resolution to be introduced will be a resolution endorsing the President in this same rate fight. That will be the resolution adopted first to stand by the President in the demand that this Commission be given power to fix rates.

MR. KEEL (Texas): I believe there have been one or two gentlemen from Texas that have already spoken, but Texas

is big enough to have three or four speak. I want to reply to a few words of the Governor in his beautiful speech. I come from the greatest Democratic State in the Union. I come from a State that loves the President of the United States. (Applause.) I say, like Marc Antony said at the grave of Cæsar: "If I had the tongue of a Brutus I could move you to mutiny." I say to the gentlemen of this convention that Texas stands ready and willing to march with you in this conflict, and I say to you to-day that there is not a Congressman in the State of Texas that can raise his voice against the President in this mighty move. If he does he will wither at the next election like an aspen leaf in a simoon. I desire to say to the Governor and to the delegates of this convention that the two senators from Texas stand beside the President of the United States. (Applause.)

We voted against you, but we are now with you in greater issues than we ever had before. See to it, Governor, that your Senators go as ours. (Applause.)

See to it, you men of the Northwest that made him President, that you stand by him. That is what we will do and if you even put him up again I think if his present ideals and preferences are carried out he will find Texas throwing off the collar of Democracy.

MR. HOYLE (New York): Mr. Chairman, I understand it is unnecessary in order to be recognized that one give his name. At great expense, personal and otherwise, I took the train from the town of Oyster Bay, the summer residence of the President of the United States; I come from the State of New York. I represent the Manufacturers' Association, and my name is James T. Hoyle, with a large "H." I want to give my testimony here. While riding on the Southern Pacific in the State of Texas a native said to me: "There are only three things that can be raised here. We can get out and raise hell, or you can raise an umbrella, or you can raise a window." I want to testify that they raise patriots down there and we have got some of them right here. I want to remove from the mind of this convention a possibility of error. There is an error in connection with this other convention that is being held opposite. One of the gentlemen who is prominent in connection with that convention I am personally acquainted with, in fact, several of them. They are representatives of associations that are very large bodies, as much perhaps or larger than this, but I want to say without fear of contradiction that these gentlemen do not represent the entire membership of those bodies, with which they are personally connected, but they do represent a certain railroad company, and that railroad company is being represented today heroically by its vice-president. The National Association that he is connected with is not being represented by him, and he does not voice the sentiments of that association.

A DELEGATE: Give his name.

MR. HOYLE: I understand it is out of order to become personal. It is not my good fortune to be an orator, but there is great temptation here to make a stab at it. My doctor has ordered me to avoid excitement, but I think I am strictly in the swim of excitement here. Now, I want to say to you gentlemen, which you know to be a fact, that as far as the people of

the United States are concerned they are a unit for Theodore Roosevelt and you cannot get them away from him. I want to say to you furthermore that the members of Congress have had their ears to the ground; they have heard from the people, and whatever their motives have been they have voted as the people directed them. What you will have to do will be to go after your Senators. We have to go back to our State and let our legislators tell the United States Senators the goods that they must deliver or get down and out. We have taken the lead on the insurance question already, and we have turned the picture of one of our Senators to the wall. That is one of the things that this convention can do. We can go home and tell our Senators through our legislators what we want them to do and they will have to deliver it or get down and out.

MR. FARLEY (Texas): Mr. Chairman and gentlemen, I believe I represent more votes than any man here. I am traffic manager of the Farmers' Union, with authority to act for them according to my judgment, and they represent 300,000 votes. It looks to me like we got a heap of business to do, and think we had better do it and go.

MR. BALLARD (Missouri): Our delegation represents a merchants' exchange with a membership of 1,800. When the president first made his announcement in favor of freight regulation we were the first organization to send a message congratulating him on his stand and later a delegation from our exchange called upon the president and presented him the support of our organization, which, by the way, is the largest organization and the most influential of its kind in the Mississippi Valley. We still stand for the president's declaration. In regard to the delegates who have gone to the other convention, we believe they are misled and eventually they will come back to the fold; they will see the error of their ways. If they do not they will receive a very cold reception when they get back to Missouri, where they have to be shown.

MR. VASE (Indiana): Mr. Chairman and gentlemen: Indiana comes here to join heartily in this movement. I have the honor to be appointed from the Thirteenth district by our governor, and I want to say we have never had a governor before who was so heartily in sympathy with the purpose of this meeting as you have here now. I want to say that the criticism of the vice-president of this meeting has been unjust and uncalled for, and an insult to our intelligence. Everybody in Indiana knows that the criticisms of Mr. Kern have been unjust. The gentleman over here a few moments ago attempted to defend the rates of the railroad company, as made in favor of the Pacific coast by bringing in water navigation. Let me call your attention, gentlemen, to the fact that the demurrage charges at Fall River, Mass., right on the very verge of the Atlantic Ocean—they give exactly double the price for loading and unloading there that they do in Indiana and I have been very anxious ever since I heard that statement to know what water navigation had to do with that. I furthermore am advised by a gentleman from Fall River that at the end of the year when they send in their bill for charges that have been made they get a beautiful refunder upon that. The whole trouble with the railroad busi-



ness is that they are not fair, that they are not impartial; from one end of the country to the other they show partiality for one over another. I came here loaded with so many data on this subject that I would tire the audience if I should attempt to relate them. Everybody here is so full of this subject that it is useless for me to get up and tantalize them with it. This meeting is for the purpose of protecting the ordinary laborer, the business man, the mechanic of the country, from this kind of imposition.

It should have been corrected long ago, and if the Interstate Commerce Commission had had the power given them at that time, it would have been corrected five years ago. Gentlemen, I thank you.

(Cries of "Question.")

MR. EGNER (Missouri): Mr. President and gentlemen of this convention: I won't take up five minutes of the time that is allotted to me, I assure you of that; but you can see, Mr. President, what a great calamity it would have been had we passed, seconded and passed, the motion for the previous question. We would have lost some enthusiastic speeches from Texas. (Laughter.)

What I want to say is this: I am a member of the executive council of the Manufacturers' Association of the City of St. Louis. I have here my credentials from Mr. L. D. Kingsland, the president of the St. Louis Manufacturers' Association, and in these credentials I am enjoined to sustain and support the policy advanced by the President of the United States. I am going to say further, Mr. President, that if it would be convenient for you to have the credentials read on this occasion, I would like to have it done, because my colleague has landed in the convention across the way (laughter), and I am satisfied that he received a similar letter testifying to his credentials and his right to meet here, and it could be proven by that letter which of us is in the right place. Mr. President, I have never rode on a railroad pass (applause and cries of "Good").

When I was a member of Congress I refused a railroad pass. (Applause.) Still, I am not saying that my colleague had a pass. I want that distinctly understood, because I have the greatest admiration for the man, and I would not want to utter a word here that would reflect upon his character, and that was the one reason that if it could be done I would like to have that letter from L. D. Kingsland, the president of the St. Louis Manufacturers' Association, entitling me to sit on the floor of this convention, read, so that it can be seen which of us is in the right place. (Cries of "Out of order.")

MR. W. B. STILLWELL (Georgia): Mr. Chairman, I represent in this convention four different organizations—the Georgia Interstate Sawmill Association, two different trade organizations, the Board of Trade and the Chamber of Commerce of Savannah, and the National Lumber Manufacturers' Association. And in that connection, gentlemen, an industry that represents approximately 30 per cent of the tonnage handled by the railroads of the United States.

I have been angered recently by hearing on all hands that in this movement we are enemies of the railroads. I deny it. I

claim to be a friend of the railroad. I have fought the railroads for years; I have fought for them at one time and another for years. I am second only to the president of our Interstate Association in this now nationally known fight of the Lumbermen's Association, and the railroads—one of the most iniquitous and vicious things that ever was done. We are now laboring through the intricacies of the courts, and I firmly and positively believe that if that is decided on a strictly equitable basis, we will get the decision of the Supreme Court of the United States in our favor. We have already had it before the Interstate Commerce Commission and the Circuit Court, and it is now pending in the Court of Appeals. What legal technicalities about the matter there may be, I am not a lawyer and cannot tell you.

I was also the instigator about two years ago of one of the most just fights that has ever been started in the United States, and that, gentlemen, was to compel the railroads to do away with the power they then had or the usage that they were then following of compelling lumber cars to be equipped with car stakes.

About two years ago I addressed a letter—(Cries of "Question")—About two years ago I addressed a letter that I had the honor to have denominated by the lumbermen as being an example of modern diplomacy. Day before yesterday I aided in organizing a fight on that line that I think will result, so I believe, in our favor.

I want to say further that I am here, as I said, a friend of the railroad for this reason. A Georgian has uttered the phrase that this movement is "commercial lynch law." Gentlemen, where did that come from? From what does that iniquitous practice come? The man must know that the cause of the movement is where the lynch law comes from. He must know that it has originated from the cause. What is the cause of it? Where has it come from? The railroads have brought that thing upon themselves.

Now, gentlemen, while the framing of the resolutions would not be justice in my mind, still I cannot set myself up against this convention, for I am here to carry out the action of it, whatever it may, but I regret one thing most heartily, and that is, whatever it might have been—I regret two things; I regret the resolution passed yesterday, because I think it is un-American in making an enmasse convention of our fellow citizens.

I know some men that are in the other convention from good motives; I regret that for one thing. (Cries of "Question," and "Time is up.")

**CHAIRMAN HUGHES:** The gentleman makes the point that the time is up. It is with great pleasure that I introduce to you Ex-Governor Larrabee of Iowa, but whom I think needs no introduction. (Applause.)

**MR. LARRABEE (Iowa):** On behalf of the executive committee, I desire to congratulate you upon the fact that this is the largest convention ever held. There are more delegates present, and they seem to be more completely in unity as to the object to be obtained.

Five years ago the business organizations of the country sent

men to St. Louis and formed this organization. They sent their executive committee to Washington and they have attended every session of Congress from that time to this. For several years our committee could hardly get a hearing before Congress. A large majority of the members of both houses were utterly opposed to giving us a hearing. The committees of both the Senate and the House were opposed to the measures advocated by this convention.

Until the meeting at St. Louis one year ago our executive committee was disheartened and almost inclined to give up, but the enthusiastic support given to the committee at that meeting gave new courage, and when Mr. Bacon and his associates went to Washington to confer with the president, they found him ready to co-operate with the committee, and his message in December following was like a blast of a bugle; it was equivalent to ten thousand men at least.

Do you know the history of the hearing before the Interstate Commerce, or before the Senate and House committees at the last session of Congress? Our chairman, as Senator Freer said yesterday, was browbeaten; he was insulted. It was declared by a representative in Congress in Illinois that not until Congress was filled with anarchists would such a measure as we had advocated be adopted by Congress; but this committee had got in its work. With the assistance of the president, the people became aroused, and this Congressman voted for the measure that was finally reported by the committee of the House. I want to say in attending the convention at St. Louis one year ago our Texas friend's speech, from a Texas man, pledged that every member of Congress and all the Senators from Texas would support the measure that we introduced. I could not make such a pledge for Iowa at that time, but I am happy to do it today. And I feel that I run no risk in saying it that both Senators and every member of the House from Iowa will in the next Congress support the measure advocated by this convention. (Continued applause.)

The remedy we have sought to encourage, the object of this convention, has been to encourage the people to arouse themselves and make a demand upon their Congressmen and Senators to favor the measure which we have advocated, and so long as we keep up that position, I have no fear whatever of the result.

Now, those who are in attendance on the rump convention intended to meet with us and control our convention, and not until they learned that we had determined to place policemen at our doors and not admit them unless they were in sympathy with the call did they give up that intention to break up the meeting. After they learned this they gave up.

Now, what this convention desires, the object of it, has always been to encourage the adoption of proper legislation, to encourage the adoption of proper resolutions. The resolution committee could not give attention to all the details. I suppose we had probably 25 to 50 different resolutions presented. We concluded that we could not give attention to all the details that the members desired us, but we decided we would endorse in a general way the spirit. We desire to have the endorsement of President Roosevelt for his recommendations. It makes a

public officer strong to feel that the people are at his back; that they are supporting him. Is not that so, Governor Van Sant?

MR. VAN SANT: Yes, I agree with everything you say.

MR. LARRABEE: Well, a public officer, when he feels that the people are back of him, he feels that he has courage, and he is willing to go forward.

What we need more than anything else is to endorse President Roosevelt in this contest between the railway managers and the people. Now, there is not a man present in this convention that is an enemy to the railways. We all know that. No one is going to disturb the value of that property, but the greatest enemy to the railways and their stockholders is the company of men that have got control of them at the present time. (Applause.)

(Cries of "Question.")

CHAIRMAN HUGHES: The Chair recognizes Mr. Rosewater of Omaha.

MR. ROSEWATER: When I accepted the invitation of the chairman of your executive convention, I felt highly honored, because I knew that at least I would meet the pioneers in the movement for the government regulation and control of railways. (Applause.)

And I rejoice at the positive stand that has been taken by this convention to uphold the hands of President Roosevelt.

Two weeks ago I had a conference with the president on this very subject, and he expressed very great anxiety that this convention do right. He expressed himself as fairly convinced that the course he had outlined for himself was in the interests of the American people, and he proposed to stand on that outline for all time to come. (Applause.)

Now, I had intended to deliver an address here, but I am going to put it in cold storage and send it to the committee or the secretary to be filed. (Applause.)

It is a common adage that those men whom the gods wish to destroy they first make mad, and it does seem that the railway corporations in undertaking to control and interfere with this convention and break it up have made the greatest blunder they have ever made in the great contest that has been going on in the past thirty years. (Applause.)

I have been through this all since its inception, and I have never seen them commit a greater blunder. I have never in the past thirty years seen a greater blunder committed. This convention has successfully parried the bluff of the Parry organization (laughter), and it is capable of carrying out its intention, no matter what the consequences may be, individually or collectively, they may draw upon themselves the ill-will and even possible enmity of the great corporations or the railroads, but I feel sure that the time will come eventually when the railroads will realize that they have been their own greatest enemies in resisting this.

They held up the bug-bear of municipal ownership in Wisconsin. The railroad people come to the employes and threaten to reduce their wages; they go to the business men and threaten to injure their business and bankrupt them by withdrawal of their transportation facilities, but they are there for business;

they are in it for the money there is in it, and they are going to continue to give good wages so long as good wages prevail on the American soil; they are going to furnish facilities to get off the road.

Nobody here that I know of favors directly the government ownership and operation and control of railroads, but we favor the control and operation of the railroads and highways of the United States by the people who gave them the sovereign power and delegated it to them. (Applause.)

In this great irrepressible conflict there is no such word as retreat; there can be none; it will go on until it is settled right. The President has simply done what the American people have long wished for. It is not a question of shippers merely. There are thousands of others interested in this great work, in this great movement; every man, woman and child in this country is interested in it, and above all things, we are interested in having our own free government untrammelled by corrupt interests. Mr. Parry has given it out that this is a retro-active movement to populism and free silver. Now, so far as I am concerned, I have never been charged as being partial to free silver, but I want to remind you there is something worse than populism, and that is railroadism. (Applause.)

We of Nebraska have gone through that for 25 or 30 years; we have had Jay Gould and the president of the Union Pacific come to the state capitol and supervise and maneuver the convention for four days, which was in a majority against them, and finally capitulated, had to capitulate to their money power. How is that as an example of bribery and corruption on the floor of the convention? As a member of the convention I remonstrated and still continue to remonstrate, and I will fight against that movement. But I would rather submit to anything, even to be called a populist and an advocate of free silver, be dominated as ruled by that, rather than submit to the tyrannical rule of railroad domination. (Applause.)

The people of our state—(Cries of question).

A VOICE: Can I ask a question? Let me ask a question.

MR. ROSEWATER: Yes.

THE VOICE: Is not Government control of the railroads far preferable to the government being controlled by the railroads?

MR. ROSEWATER: We have, for instance, a government for the people, the people must sustain the government; it must be, they must control the machinery of the government, or the government machinery will continue to be controlled by the corporations.

It is simply an incident now that the White House is occupied by a man who is an American through and through. We, the people, have him, and we have it in our power as we have him in the White House, that he is with us in our stand against the constant interference by corrupt manipulation.

They say that they would like to have a special tribunal established for judging and adjudicating these questions that come up before the commission. That is what the railroad people want. They want what? They want gentlemen who have graduated from the railroad law headquarters and who are now on

the supreme court bench or sometimes in the minor places and even in the federal courts.

We have had, for instance, in our state, decisions not very many years ago that the state cannot regulate rates for a stock yard. They have had the same law in Kansas, and the Kansas judge declared that the law was constitutional. I am speaking of the Kansas Federal Judge who declared the law to be constitutional. The Nebraska Federal Judge declared it was not constitutional.

Now we are being driven from pillar to post. You have to go to court and then you are beaten, you have to go to the court of appeals, may be in the course of years you will reach the highest court in the land.

What we want is to give to the Interstate Commerce Commission, we want to give them power, the power that was intended to be given to it when the law was first enacted.

I was before both, several times in 1885, and again in 1886, in favor of the Interstate Commerce law regulation, and I want to say that we have only had a share of success by reason of the fact that everything has been done to prevent the commission from carrying out in good faith the object for which the law was enacted.

Now, I won't take up your time any more. I simply want to say that while I am from Nebraska, I do not represent any organization, but still I say I think I can safely speak for all the people of Nebraska, barring the few beneficiaries of railroads and their officers, when I say that they are with you in this movement. But you must organize as they are organizing. You must meet them face to face. You must go into the school districts, go every place they are going, and fight them on their own grounds. You must organize in that way, not individual work, but united organization is what is required to win.

They talk about populism being generated by such a movement. I talked with Marvin Hewitt, the president of the Northwestern Railroad, in this city, only about eight years ago, and he said that populism in Nebraska has been fermented more by the policy pursued by another competing railroad manager than by any other and all the other causes combined. Why was it? Because they had undertaken to control nominations alike of every man from constable up to governor and from governor to senator and never would let go until they were obliged to do so by a tidal wave which swept them out of power.

And right here let me add before closing that there is another issue that must be met incidentally, and that is the election of U. S. Senators by people of the United States. (Applause.)

I beg your pardon. I want to apologize for taking up so much of your time. I want to see these resolutions adopted, and I thank you for your attention. (Applause.)

There were also calls for the previous question.

CHAIRMAN HUGHES: Gentlemen, we have got some reports of committees and committees to be appointed as yet. Are you ready for the question? (Cries of "Yes.")

The resolutions were then adopted unanimously.

**MR. McKENZIE:** As Chairman of the Finance Committee I beg to submit the following report:

Chicago, Ill., Oct. 27th, 1905.

To the Interstate Commerce Law Convention.

The Finance Committee of this organization respectfully presents the following report:

At the last convention in St. Louis, one year ago, a large amount of funds was subscribed and contributed for the purposes of conducting the work of the convention. The subscriptions of the various organizations were generous and it was only by these that the work could have been conducted. The funds have been expended in a conservative manner by your executive committee. Your committee has been to considerable expense in addition to the amount subscribed, and we earnestly urge upon this convention the raising of a sum commensurate with the purposes of the convention and the importance of the work in which it is engaged.

We have to recommend the passage of the following resolution:

"WHEREAS, It is necessary in order to carry on the expense of the executive committee and to further the object and purposes of this convention; therefore, be it

"Resolved, That this convention solicit from its membership contributions to an amount not less than \$10,000, which we deem to be absolutely necessary for the purpose for the ensuing year"

Respectfully submitted,

R. S. LYON,  
J. M. MASON,  
R. P. GILLBAUM,  
MUNDO McKENZIE,  
F. O. STORY,

Committee.

Gentlemen, in arriving at this decision as to the amount we should require to carry on this work some of us were familiar with the expense of conducting the campaign last year. We do not wish you gentlemen to feel or to think that this amount, or any part of it, is to be spent in paying the expenses of the executive committee. Last year I had the honor to be one of the executive committee, and I attended several meetings along with the other members of the committee, all of whom were very attentive to their duties. We also were called by the chairman to Washington. We spent from two to three weeks there attending to this campaign, and I will say to you, gentlemen, that not one single cent of the money subscribed at St. Louis last year went to pay the expenses of the executive committee. (Applause.) They paid the money out of their own pockets and I am afraid that even if you subscribe \$10,000 that your executive committee for the next year will have to pay something similar to what your executive committeemen had to do last year.

Now, I hope that the members present will see it is to be their duty. We do not ask it of them as a favor. We ask it of them to conduct their own business. We allow them to stay at home and attend to their business and the members of your executive committee attend to your work when you are

asleep. I know we had it to do in Washington. Now, gentlemen, I do not want to detain you long, but I say to you this: That never did you before subscribe to a fund which is more necessary for the well-being of your business than the subscription we are asking of you to-day. Now, I will start the subscription list myself by putting down for the American Cattle Growers' Association of Denver, two hundred dollars. I will ask the representatives of the Cattle Raisers' Association of Texas to join with me in asking that Association to subscribe \$200. I think they will do it. Mr. Burnett, won't you subscribe to that?

MR. BURNETT (of Texas): Yes, sir. The Cattle Raisers' Association of Texas will subscribe \$200.

MR. McKENZIE: I will subscribe on behalf of the Shippers' Association of that little city at the foot of the Rocky Mountains called Trinidad, \$100, and I will see that it is paid. (Applause.)

MR. LYON (of Chicago): Mr. Chairman, on behalf of the Board of Trade of the City of Chicago I subscribe \$200, with the hope that I shall get it more than doubled.

A DELEGATE: I suggest that we have a roll-call of the organizations represented here.

CHAIRMAN HUGHES: In reply to the gentleman I will say that we are sorry but we have not got the roll here.

A DELEGATE: Only the roll of delegates that are represented here.

CHAIRMAN HUGHES: It is not here; it is up at the hotel, I am informed.

CHAIRMAN HUGHES: What will you do, gentlemen, with the report of the committee?

A DELEGATE: Gentlemen, I subscribe for the Mississippi Business League and Cotton Exchange \$100, and will see that it is paid.

MR. BRIGGS (of Chicago): On behalf of the National Hay Association, I subscribe \$100.

A DELEGATE: Mr. Chairman, the report of the Finance Committee has not been approved, has it?

CHAIRMAN HUGHES: There has been no motion made as yet.

A DELEGATE: I move you that the report of the Finance Committee be approved.

A DELEGATE: I second the motion.

CHAIRMAN HUGHES: Gentlemen, you hear the question. It is moved that the report of the Finance Committee be approved.

The motion was unanimously adopted.

CHAIRMAN HUGHES: Gentlemen, it is made the duty of the Chair to announce a committee, or two. I take this occasion, if you please, to announce the Executive Committee:

E. P. Bacon, of Wisconsin.

C. H. Seybt, of Missouri.

S. H. Cowan, of Texas.

J. E. Howard, of Kansas.

Gov. Wm. Larrabee, of Iowa.

R. W. Higbie, of New York.



Murdo McKenzie, of Colorado.  
 Geo. S. Gardiner, of Mississippi.  
 R. S. Lyon, of Illinois.  
 Adolph Mueller, of Illinois.  
 J. M. Mason, of West Virginia.  
 John W. Kern, of Indiana.  
 L. C. Slade, of Michigan.  
 Jos. H. Call, of California.  
 W. B. Stillwell, of Georgia.

MR. TEMPLE (Denver): On behalf of the Chamber of Commerce of Denver I wish to subscribe \$100.

MR. HIGBIE: I wish to subscribe \$100 for the National Wholesale Dealers' Association and also to offer these resolutions:

*Resolved*, That a committee of five be named of which the chairman of this convention, Col. Hughes, shall be the chairman, namely: The Executive committee to wait upon President Roosevelt and to present to him a copy of the resolutions which we have just adopted and in which we have set forth our declaration of principles.

E. R. BURKHOLDER: On behalf of the Southwestern Lumbermen's Association of Missouri and Oklahoma, I wish to subscribe \$100.

(Cries of question.)

CHAIRMAN HUGHES: I would like that motion amended. I do not think that I can go and I wish to leave it to the Executive Committee.

MR. HIGBIE: I think that we can prevail upon Col. Hughes to go and we should leave the resolution as it is.

GOVERNOR CAMPBELL (Ohio): I wish to make an amendment by adding the following: "And this convention, through this same committee, telegraph to the President of the United States at once, that this Convention, representing 44 States and Territories and a great majority of the business interests of this country have unanimously and enthusiastically endorsed his position upon this great question. (Applause.)"

MR. HIGBIE: I cannot accept that.

THE CHAIRMAN: You have heard the question as amended. All in favor of the motion—

MR. DOUGHERTY (Texas): I move that the words "producing interests" be added after the words "business interests."

MR. CAMPBELL: I accept it.

MR. MCKENZIE (Colorado): I move that the doors of this hall be closed and that no other business shall be taken up until we get this subscription list of \$10,000 filled up.

Now, gentlemen, I wish to say one word to you before we start in. I see that I am on the Executive Committee again, which I very much regret, but I promise you I will do my best. We cannot do your work without money, and if we pay our expense down to Washington, in case we have to go there, it is the most you can ask of us. If we pay our expenses and come here and meet the executive committee, it is the most you can expect of us. You cannot expect us to pay for advertising and all the other incidental expenses. I do not want to beg of you. I feel that there is not a man here who is not willing

to put his hand in his pocket according to his means and help us out. It is a matter which affects us all. As Gov. Larrabee has well said, there is not a man, woman or child in the United States that it does not affect. There is not a producer or consumer in the United States which it does not affect. You are not representing a few people here. You are representing the producers and consumers of this country. I say to you, gentlemen, come along and be liberal.

MR. SEYBT (St. Louis): I want to endorse what Mr. McKenzie has said, except closing the doors, for I do not want to have the doors closed and I do not want to feel that I have been held up. I move that we make that suggestion.

MR. HUFFMER (Illinois): I represent a very small organization, the Wholesale Saddlery Association of the United States. We make the harness for you. Get into the harness. I do not see that this enthusiastic convention is responding to this appeal to put up the money. You cannot conduct the fight without money. I still maintain if the organizations here represented, if the roll could be called we would know who were here and raise twice the amount of money you will raise in this manner. The delegates who are here represented subscribed to the call. Their names are on this book and you can easily find out which organizations will contribute. For my organization I wish to say that we have endorsed the work of this convention. Not only that I have spent time in Washington assisting him in his work as Judge Cowan well knows. We placed this matter before our members to write to their Congressmen and Senators; we telegraphed the various committees in Congress at the proper time and spent money in that way and I tell you, gentlemen, it is all right enough for us to come and be enthusiastic in this convention, but the work must not stop here. We must place before our organization the importance of enlisting every member of the organization after we leave this place. On behalf of the Wholesale Saddlery Association of the United States, I wish to subscribe the same amount of money that we subscribed last year.

CHAIRMAN HUGHES: How much.

MR. HUFFMER: Fifty dollars.

MR. KEEL (of Texas): I want to say, gentlemen, that I would be ashamed to say that I represented upon this floor any National organization of people and contribute as small a sum as some of the representatives of National organizations have done. How are we going to get this money when men representing National Organizations come down with \$100? There are those who represent smaller concerns, of which I am one; I represent a little grain dealers' association in north Texas, which I suppose was never heard of outside of the State of Texas, and when National Associations representing this great Union come in here with \$100, I feel ashamed. I am here representing an association of Texas—

CHAIRMAN HUGHES: You are out of order. There is no question before the house.

A DELEGATE (from St. Louis): I wish to make a subscription; I have not been authorized by my Association to make a subscription, but I will make one on behalf of the St. Louis

Manufacturers' Association, of \$100, with the hope that it will be increased to \$200.

A DELEGATE (from Dallas, Tex.): Mr. Chairman, most of our delegates are uninstructed and we do not know how much money we need, we don't know whether the amount should be \$500 or \$10,000. I believe the matter should be left to the committee and they can have correspondence with the members and they can get all the money they want.

MR. McKENZIE (of Colorado): We had to pay the expenses ourselves, and we do not want a repetition of that. I think every man here should subscribe what he can. If an Association can only subscribe \$100 we will be glad to get it. If we had \$30,000 we could use it. I propose that there be no more speeches here until this subscription list is filled up. If any member feels like subscribing now let him do it.

CHAIRMAN HUGHES: The Chairman subscribes \$100 personally and \$100 on behalf of the Land and Cattle Company.

MR. PIKE (of New Hampshire): I subscribe \$100. New Hampshire is supposed to be owned by the railroads and we don't dare to say what we think. I do not come here as representing the Association, but I shall subscribe \$100.

MR. A. E. McKENZIE: I represent the Travelers Protective Association of America, composed of 8,000 members in 32 states. I think our Association is inclined to raise the limit, and I am here to raise the limit. I think this is the greatest issue that has ever been presented to the American people, and in behalf of the equities of the people—

CHAIRMAN HUGHES: How much?

MR. McKENZIE: If you will be kind enough to permit me to occupy a few moments—

A NUMBER OF DELEGATES: No.

MR. McKENZIE: The National Organization of the Travelers' Protective Association subscribe \$100. The Indiana Division, without any representation in this convention, subscribe \$50. The State of Kentucky, without any action on the board of directors, subscribe \$50. The State of Colorado, without any authority from the Board of Directors, subscribes \$50; total, \$250. Now, gentlemen, there are thirty-two states of this Union in the Association. There is one state which I represent here which is richer, I think, in cash, than any other state, and if they were here would give you another \$50.

MR. FOSTER (of Utica): I am authorized by the Utica Chamber of Commerce to pledge you \$100.

MR. ROBINSON (Meridian, Miss.): Mississippi has not been heard from yet. We have down in Mississippi a little town of 20,000 people and we have an Association membership of 200, for whom I am authorized to subscribe \$200.

MR. GARDINER: I represent the Central Yellow Pine Association of Mississippi and Alabama. I wish to make a contribution, a personal contribution of our own firm of \$100, and I also wish to pledge the Central Yellow Pine Association for \$200 more.

Mr. J. S. GEORGE: I wish to pledge a subscription from the Kansas Shippers' Association, Hutchinson, Kans., for the amount of \$200.

MR. F. H. MADGEBURG (Milwaukee): The Milwaukee Cham-

ber of Commerce pledges \$200 and I subscribe personally \$100.

MR. BODEY: I represent a small shippers' organization of Chicago, on behalf of the Association I pledge \$200.

MR. STIMPSON (of Indiana): I represent the third Congressional district as a delegate appointed by the governor. I will subscribe \$50 in my own name and I will also subscribe without any authority \$50 for the Indiana Hardwood Lumber Association, a small Association of Dealers. I, at present, represent the National Hardwood Lumber Manufacturers' Association. I have no authority to make a subscription of that Association because the President of the Association is in the city and is in the other meeting.

A DELEGATE (from St. Louis): I represent the Merchants' Exchange of St. Louis; I will subscribe \$100 and will ask the Exchange to make it \$250.

J. W. KAHILL (of Seattle, Wash.): On behalf of the Manufacturers' Association of Seattle, I subscribe \$200.

MR. WILDER: On behalf of the Illinois Manufacturers' Association, without authority from the Association, I pledge \$200.

MR. J. G. ESJORNSSON (of Litchfield, Minn.): I will subscribe \$100 on behalf of our organization. If they do not pay it, I will pay it myself.

MR. HOWARD: On behalf of the Commercial Association of Wichita, Kans., without authority, I will subscribe \$100.

MR. P. E. WEYMER (of Jacksonville, Fla.): In behalf of the Georgia Interstate Sawmill Association, I will say that our members are very enthusiastic, but we can only subscribe \$50. We have just spent two thousand dollars in the two-cent rate case, and we expect to spend several thousand more in the car equipment case.

MR. STILLWELL (of Savannah): I subscribe \$25 each for the Savannah Board of Trade and the Savannah Chamber of Commerce. I also represent an Association of which the president and other delegates are in the other meeting. I have no authority to make a subscription for them, but I believe there will be one made, and I will use my best efforts to that end.

MR. SCALES (Chicago): I will say this, that if those gentlemen, who represent organizations that have members in the other convention, especially where the representative happens to be the president of the Association, that it would be wise for them to subscribe on behalf of their associations to this convention, and that that matter be settled in their association after they get out of this convention, and not let those people subscribe from their convention and then give nothing to this convention.

MR. MCKENZIE: What we want is money now. We must have it, too.

R. P. GILHAM (Cincinnati): The Receivers & Shippers' Association of Cincinnati subscribe \$100.

D. F. THEIM (Ft. Worth): I subscribe \$100 and I will divide it between the organization and myself.

F. E. WAGNER: Mr. Chairman: Representing the National Commission Merchants of the United States I wish to briefly state in regard to this contribution that our League has been carrying on an independent work along these lines, more par-

ticularly the refrigerator cars, of which they have borne the expense independently of any other organization, and which you have probably observed they are carrying to a very successful issue. Without authority from our organization the delegates here present will guarantee the sum of \$100.

MR. McKENZIE: What is your address, please?

MR. WAGNER: Chicago.

MR. C. B. MESSEROLE (Iowa): I represent the Farmers' Grain Association of Iowa, Mr. Chairman, without any authority we subscribe \$50 from that association, with the pledge to make a personal effort to get the association to double the amount.

MR. ITTNER (St. Louis): Mr. President, there has a thought struck me just this moment, and I am going to do a rash thing. I want to subscribe \$200 for the National Association of Manufacturers of the United States and if they do not pay it I will pay it myself. (Applause.)

MR. McKENZIE: Gentlemen, we have just \$4,700 subscribed. We would like to have some more.

MR. MORONEY (Texas): The Dallas Commercial Club of Texas subscribes \$100.

E. W. SIMPSON (Illinois): Mr. Chairman, the Fox River Valley Manufacturers Association subscribes \$100. The membership of that association is largely members of the National Association, and we will help the St. Louis brother to pay that money whether they will do it or not.

MR. FARLEY: Mr. Chairman, I will pledge \$50 for the Dallas Freight Bureau. My farmer constituents I will have to see. I think maybe if they will put up 5 cents apiece that will be a whole lot of money.

CHAIRMAN HUGHES: Is there anybody else?

MR. McKENZIE: Do not leave us, gentlemen, until we get at least \$7,000. We have \$4,200 or \$4,300 now. Really we cannot do the work on this money.

MR. CARTER: Mr. Chairman, as president of my organization, I am here without authority from the board of directors, and I will subscribe \$50, and they may take care of more than that.

MR. LYON (Chicago): Mr. Chairman, yesterday in this delegation there were two gentlemen here who stated they came to represent the New York Cotton Exchange. I know them very well. They told me that if we needed any money here to let them know. On their behalf and on my own responsibility I subscribe \$200 for the New York Cotton Exchange. (Applause.)

MR. KERN: Mr. Chairman, the delegates here from Indianapolis, Mr. Parry's home town, subscribe \$200.

MR. McKENZIE: On behalf of my company, the Metador Cattle Company, I will subscribe \$100.

MR. E. M. VANLEUVEN: Mr. Chairman, I am from California and this seems to be going a little slower than I anticipated. I thought we were getting nearer the mark. While the organization of which I am one of the representatives pay the railroads about \$5,000,000 a year, we will increase our subscription and guarantee \$500 in order to help out. That is the California Fruit Growers' Association.

**CHAIRMAN HUGHES:** The suggestion of this gentleman who has just spoken is right in line with what I was going to propose. We have just about half of what we need here. We have all done something. I guarantee \$300. I would like every man who has made a subscription to this list to double his subscription and let us get out of this. If every man who has made a subscription will double his subscription we will have \$5,000 right now. Come right forward. I will do mine.

**MR. HUFFMER:** Mr. Chairman and gentlemen: Exception was taken to the National Association contributing so small an amount. I will help personally by doubling ours, the Wholesale Saddlery Association.

**MR. A. E. McKENZIE:** Mr. Chairman, in behalf of the Cattle Protective Association I am very willing to increase our original subscription, but I feel I cannot personally take the responsibility, but I will make the statement that I will endeavor to increase our membership and not only double it, but may be able to make it three times the amount. I do not think there is any question about it. You will hear from us a little later.

**MR. RUMSEY (Chicago):** Mr. Chairman, coming in times past after we have paid bills for work done that others have stood still and enjoyed the benefits of, I am greatly impressed with the work that the committee have done at their own expense heretofore, which I think is all wrong. We who stay at home and earn money should pay all expenses, and I for the Chicago Board of Trade will double the subscription. If they do not raise it, I will pay it myself.

**A DELEGATE:** I am ready to double our subscription.

**MR. McKENZIE:** We have some difficulty in getting at names down here. We want to get hold of those fellows who are doubling their subscriptions. I want to get this gentleman's name who doubled his subscription, the California Fruit Exchange. What is the name, please?

**MR. VAN LEUVEN:** Van Leuven.

**E. R. BURKHOLDER:** On behalf of the Southwestern Lumbermen's Association, we will double our subscription.

**MR. HOLMES (Kansas):** The committee on resolutions have another resolution to present. I will read it:

"We hereby extend our sincere thanks to this convention, to the able and efficient chairman of this executive, Mr. E. P. Bacon, Milwaukee, for his laborious, energetic and able services in presenting the necessity of efficient control by the government, of interstate commerce, and in pointing out and demonstrating the error of measures pressed by railroad interests."

The motion was duly seconded and carried.

**MR. KERN (Indiana):** Mr. Chairman, I move that the executive committee be authorized and directed to appoint one vice-president from each State who shall be charged with the work of organization in his State under the supervision of the executive committee.

The motion was duly seconded and carried.

**GOV. LARRABEE:** The executive committee propose to have the proceedings of this convention published. I have in my hands the address by Judge Call, who was invited by Chairman Bacon to deliver an address. He does not feel disposed to take up the

time of the convention, and I ask leave to file it and have it printed in the minutes of the proceedings.

Also Mr. Rosewater, of Omaha, was invited to deliver an address. He also is not disposed to take up the time of the convention. I ask leave to add his address to the minutes of the meeting.

CHAIRMAN HUGHES: Unless there is objection, leave will be granted.

GOV. LARRABEE: I also ask leave to go into the record the remarks of Mr. Gardiner, who is not disposed to take up the time of the meeting, and ask leave to file his remarks and have them printed in the minutes of the proceedings—Silas W. Gardiner.

THE CHAIRMAN: All in favor of granting leave to these various people will say aye; contrary, no. It is carried.

The paper of Mr. Gardner to go into the record is as follows:

Some Reflections as to President Roosevelt's Recommendations for Governmental Regulation of Freight Rates through the Administration arm of the Government, rather than through the Judiciary.

The Interstate Commerce Law Convention is the outgrowth of efforts by the business interests of the United States to impress upon Congress the extent and persistence of the demands of the people of all parts of the country for legislation outlined and asked for by the President in his last annual message to Congress.

He asked for a law that would clothe the Interstate Commerce Commission with power to investigate any rate that may be complained of as excessive or unjust, to substitute rate (a maximum rate supposedly) that it should adjudge as reasonable and fair to both the shipper and to the railroad, and that the rate so substituted shall go into effect and so remain unless or until reversed by a competent court of review.

The Interstate Commerce Law Convention is now gathered here in response to the call of the chairman, Hon. E. P. Bacon, of date September 18th, 1905, for the purpose of considering ways and means of carrying out and having enacted into law the aforesaid suggestions of the President as to the placing control of rates under governmental regulation. The convention is not called or convened to devise or to consider any other plan or method of dealing with the subject of governmental regulation of railroads or of rates.

While this convention does not stand for any particular bill or measure, the legislation needed to meet the requirements of present conditions is substantially that which has been formulated in a modified form of the Esch-Townsend Bill, it is endorsed by the President and also is satisfactory to the Interstate Commerce Commission.

It provides that the rulings and orders of the governmental authority shall go immediately into effect (within a reasonable time, which would mean simply time enough to prepare and issue a new rate sheet). This will prevent the years of litigation that are not necessary in order to get a disputed rate question settled. To illustrate this point, the cattle men of Texas have been contending against what they believe to be an ex-

cessive rate for several years. The Central Yellow Pine Association have been litigating against an advance of two cents per 100 pounds on yellow pine, which was put into effect April 15th, 1903, and the end of the case is not yet in sight, although ten thousand dollars have been swallowed up in expenses of litigation. The association has had a favorable decision by the Interstate Commerce Commission and the Georgia lumbermen have won their case in the Federal Court of Georgia, but the railroads still continue to enforce the advanced rate, and it amounts to millions of dollars that the railroads are gathering in, of the shippers' money.

The railroad people and those who are allied with them in opposition to any sort or kind of government regulation that would regulate are pleased to sneer at the proposed bill, and to characterize it as "Confiscatory Legislation," and "Commercial Lynch Law," and that such a law would result in slow paralysis of railway institutions, etc. Their whole campaign has been one of sophistry and misrepresentation.

There are in the United States something like 206,000 miles of railroad, of which mileage about 125,000 miles and over one-half, are under the jurisdiction of State laws and State commissions as to their powers of rate making within the borders of the respective States. Does any one ever hear of "Confiscatory rates," or "Commercial Lynch Laws" in these States?

It is simply preposterous and those who make these claims and charges and predict the direful calamities to follow any efforts to control rate making, and who invent the sensational catch phrases quoted, know that they are totally misrepresenting the President and his recommendation for governmental control of rates. They do it simply to befog and confuse the situation and mislead the people. They know that in those States where rates are controlled, the railroads are as prosperous as are the railroads in the country at large.

They also know that neither the Esch-Townsend bill, or any other bill that has been proposed, does not contemplate the general overhauling of the railroad freight schedules, and to arbitrarily substitute new rates. These bills assume that rates generally are fair and satisfactory. It is only when rates are advanced or complained of as unjust that the government is to investigate and decide as to the justness of the challenged rate.

To make this question perfectly clear and thus emphasize the seriousness of the conditions as they now prevail, let us for a moment suppose that conditions were just the reverse of what they are. Let us suppose that the government had for a generation the unquestioned or undisputed right, after a rate has been complained of, and upon investigation found to be excessive and unjust, to name a rate that it considers just and fair to the shipper and compensatory to the railroad—a maximum rate.

Let us now suppose that the railroads should ask the people and Congress to abrogate this right and safeguard for the people and to relegate the entire rate-making power to the railroads without recourse or appeal; that the interests of the people should be completely turned over, body and soul, to the tender mercies of the railroad.

Would there not go up from the people a loud cry unto Jupiter



that they might be spared from so calamitous a consummation?

I would ask in all candor is there a Senator or a Congressman who would have the nerve, the temerity or the audacity to recommend or advocate such a measure?

And yet this is the very condition the people are now in. The railroads, under the laws as they now stand, are the sole rate-making power of our land. The courts are denied jurisdiction to interfere in behalf of the people, as rates once promulgated and duly published become the legal rates from which there is no escape, because the courts have no power or authority to say what is a fair or a just rate, and it is astounding that some of our law-makers knowing this to be true can have the nerve, the temerity and the audacity to oppose such an amendment to our laws as the President recommends, and it is passing strange that they will tolerate the assertions of railroad managers that this proposed measure is nothing short of "confiscatory legislation" and "commercial lynch law."

Let it be remembered that under the laws now in effect the railroads are fully protected against any sort of confiscation. The courts accept jurisdiction and will always be ready to abrogate a rate that is manifestly too low, or confiscatory, but they cannot, on the other hand, protect the people against an excessive or unjust rate, because the rates are made according to law, and are legal rates, although they may be extremely extortionate and even confiscatory. Any rate that the railroads may choose to make is legal if it is duly published, and no court can set aside and substitute a fair rate. It can only be done by the administrative arm of the government, and so it is that while the railroads may confiscate the property and the fortunes of individuals and have done so in many instances, there is not at present any legal method of preventing a continuation of such conditions, and this is why it is so important that President Roosevelt's recommendations shall at the coming session of Congress be enacted into law, in order that the rulings and orders of the government may be enforced and made immediately effective.

There is another thing that we should remember in connection with this matter, to-wit: The railroads have nothing at stake, and therefore nothing to lose in advancing rates, but they have millions to gain. The reason is that if the people fight against the advanced rates, the railroads can under present conditions keep the matter in court for four or five years and all the time continue to collect the advanced rates, and at the end of it all the most that can be done is to order the railroads to desist from any longer charging the rate. In the meantime the railroads have gathered in millions of dollars of the people's money, and there is no recourse or help for it. This is clearly shown in the cases of the cattlemen of Texas, and the Central Yellow Pine Association against the railroads now in court. The controversy as to whether the commission should name a "maximum" rate or a "reasonable" rate is not at all relevant to our discussion, as the words under the proposed law would be considered as synonymous terms. As before stated, the object of this convention is simply to devise ways and means to secure legislation along the lines recommended by President Roosevelt.

MR. COWAN (Texas): Gentlemen of the convention, I beg to have the opportunity to present a motion which some one else will have to put. Our very worthy chairman of this meeting of course does not feel disposed to appoint himself on the executive committee of this association. He has always been in the harness, and probably always will be. I therefore move you that Chairman Hughes be added as a member of the executive committee of this association. I will put the motion. All in favor of the motion will make it known by saying aye; contrary, no. It is carried.

MR. McKENZIE: We are ready for the subscriptions.

J. S. EDWARDS: On behalf of the Orange Growers' Association of Redlands, we subscribe \$100.

MR. HIGBEE: I move that Col. West be added to the executive committee.

The motion was duly seconded and carried unanimously.

MR. CROZIER: In regard to the suggestion of subscription, I desire to say that the appropriations for the funds of the Grain Dealers' National Association is made by the executive committee, and it would be unwise for me to attempt at this time to pledge any appropriation, but the Grain Dealers' National Association has always worked with Mr. Bacon, and taken care of their pro rata share of the deficit. So I assure you the Grain Dealers' National Association will do its part, but I prefer to have it come through the regular channel.

MR. COWAN: Those of you who have been appointed as members of the executive committee are requested in case that the convention which we are now holding is now having its last session, after adjournment, to meet in this hall at 2 o'clock, if we adjourn early enough, and if we do not, at 2:30, and that the executive committee invite all to be present, and if the convention is in session we will meet in the anteroom near the hall. This is the best place that we can assemble, and the executive committee will have to elect their officers and the treasurer and provide for the business matters.

A VOICE: At what time?

MR. COWAN: To meet here not later than 2:30, I have been requested to make that announcement, and any one who has anything to lay before the executive committee will be welcome.

MR. DOUGHERTY (Texas): I hold a telegram from the Business League and Cotton Exchange of Houston, extending an invitation to the convention of the Interstate Commerce Law to hold its next annual meeting in Houston, Tex.

MR. HOOKER: I move that it be referred to the executive committee.

Motion duly seconded and carried.

MR. McKENZIE: I would like to see \$7,000 raised before we leave the hall. We now have more than \$6,000, and if we can have \$7,000 raised now, we can make up the \$10,000 later. We have within only seven or eight hundred dollars to be subscribed.

MR. BURNETT (Texas): Put me down for \$100 personally.

MR. H. A. HOLMES (Kansas): On behalf of the Manufacturers' Association, I subscribe \$200, and I think that we can make it \$500.

GEO. J. KINDEL (Colorado): I do not represent any organi-

zation, but am a Congressional delegate from Colorado, and I will subscribe \$100 and will see that the poor people that I represent will pay it. We are the apex of discriminative rates in Colorado.

MR. SCALES (Chicago): I desire to ask whether the resolutions that have been presented to this convention become a part of the minutes of this convention without any further action?

CHAIRMAN HUGHES: Yes.

MR. CHATTELWORTH (Indiana): I move that we take a recess to 2:30.

MR. McKENZIE: We want the money first.

THE CHAIRMAN: The work laid out for the day's convention is for a full day, and we have this hall until 6 o'clock, and we want to try and get through.

MR. HUFFMER (Illinois): Is there any other business to come before the convention? Two-thirds of the members of this convention have gone away to get their dinner, expecting the convention to be in session when they get back. It is unfair and unrepresentative to ask people to stay here until the money is raised.

MR. HOOKER: I move to adjourn to 2:30.

MR. GUTHRIES (South Dakota): It will be well for the secretary to announce to the members of this convention what arrangements have been made for return tickets.

THE SECRETARY: At 422 Auditorium, I think you can get them.

THE CHAIRMAN: It is moved and seconded that we adjourn until 2:30. All in favor say aye. Carried.

The Convention then adjourned until 2:30 o'clock p. m. of the same day.

## AFTERNOON SESSION.

October 27th, 1905.

The meeting was called to order at 2:45 o'clock p. m., by Chairman Hughes, who said:

It is past the hour to which the convention adjourned, so you will please come to order.

MR. CALL: Mr. Chairman, there is a meeting of the executive committee which has some business to transact and a number of members desire to leave the city this evening, and I think that the work of the convention has been finished, but I desire to move that this convention express its thanks for the efficient and able manner in which the presiding officers have performed their respective duties, including the Secretary of the convention, and that this convention adjourn sine die at 3 o'clock p. m.

The motion was duly seconded.

CHAIRMAN HUGHES: It is now 12 minutes to 3. All in favor of the motion signify it by saying aye.

The motion was unanimously carried.

MR. COWAN: Mr. Chairman, there has been a great deal of misapprehension in the public mind with respect to the probable jurisdiction of the courts over these railroad rate questions. I would like to say that I have prepared for the purpose of presenting to this convention some thoughts upon the subject which

will serve in a measure as an answer to the position which has been taken, that the subject of railroad rate legislation may be relegated to the courts.

I would like to say in connection with presenting it with a request that it be made part of the proceedings of this meeting and published, that there are two or three principles, which, if they would be observed, would enable the mind of the laity to come to a correct conclusion just as well as the best lawyers. One is that the legislative department of the government cannot invade the judicial department. Another is that the judicial department cannot perform the office of the administrative or legislative department. A third is that the Supreme Court has decided that under our constitution the making of a rate for the future is a legislative and not a judicial act.

The conclusion from those three propositions is that the court may determine what the reasonable rate has been for the past and is for the present, in order to enable it to deserve some judicial relief like a recovery for damages. But it cannot do that in order to enable it to fix by injunction or otherwise what shall be the rate for the future, maximum, minimum or otherwise.

One other proposition that the Supreme Court of the United States has held definitely—and in this article you will find a quotation—that where a legislative authority or agent or the legislature itself has fixed a rate, if it has fixed it at a point where it would not afford a reasonable return upon the money invested in the property employed in the public service, that is a deprivation of the constitutional rights of property, to protect which the courts have the full machinery, and just as full as it could possibly be enacted in the most carefully drawn legislative enactment. Hence there is no danger whatever that when the commission fixes a rate the railroad will have the right to invoke the jurisdiction of the court, either state or federal, to determine whether that rate is at such a figure that it does not afford a fair and just compensation to the railroads as well as to the public for the services performed.

I commend this article to you, gentlemen, and ask leave to have it printed as part of your proceedings. (Applause.)

CHAIRMAN HUGHES: Gentlemen, you have heard the request. If there is no objection it will be granted.

MR. REED (Iowa): Mr. Chairman—

THE CHAIRMAN: Let me dispose of this. This is part of the record of the convention; is there no objection?

MR. REED: Mr. Chairman, I rise only for a moment, not wishing to occupy the few minutes of unexpected time before adjournment, because I am impressed with the idea of the vast amount of valuable information that has been given during this convention. And while our executive Committee I believe to be the best, and will exercise all the care and prudence that any executive committee could, it is simply this suggestion, that the proceedings of this convention with the valuable articles that are to be incorporated in the proceedings, that they be printed as speedily as possible so we will be able to get the benefit of them as soon as possible. With that end in view I make this motion, that the proceedings of this convention as soon as print-

ed, a copy be mailed to each delegate on record in this convention.

CHAIRMAN HUGHES: Is there a second to the motion?

The motion was then seconded, put by the chairman, and carried.

MR. A. E. McKENZIE: We regret that we did not have an opportunity of presenting, the legislation that was recommended at a National Convention of the Travelers' Protective Association of America last June at Savannah, Georgia. We, however, follow out the original line which is followed by commercial travelers, that is, to work every town and get as much business as it can, regardless of its size. I wish to assure you at this time that whatever I may say regarding the disposition of this National Organization, that it will be carried home with the possibility of its being considered, and being offered to our national officers and our legislative committee. We hold ourselves and our services at the service of the Executive Committee and officers of the Interstate Commerce Law Convention. We do not want you to hesitate to call upon us in every state in the Union and ask us to discharge the duties that are within the limits of our ability. If you come to the state of Colorado and you think you need a greater canvass or a more vigorous campaign we will give you the support of 500 men representing commercial interests in the Centennial State. If you go to the State of Missouri you will find the grandest representation of any organization of this country, 4,000 strong, and they will inject energy in the prosecution of this great question, and there will be no doubt of the result in that section. If you go to the doubtful State of Indiana you will find a representation that will exceed that of the State of Missouri at the next national convention. That is the interest that has been carried on throughout the various states of the Union, and let me tell you what we have accomplished as a testimonial of what we believe we will be able to do with the addition of the able support of this association. The first act of the national association created in the State of Colorado in 1890, with but a squadron of members, which has grown continuously until it commands a representation of nearly 30,000. First we secured the only interchangeable mileage that was ever secured in the United States and it was from St. Louis to Baltimore, from the Central Passenger Association and from the Ohio river to the North. We went to the Western Passenger Association and secured the recognition of this mileage from Chicago to the Missouri River. We have had it extended to the City of Denver in a way, but the issue of freight rates is paramount to a passenger rate of this country, but they are identical with the interests of the people, and when we show to them the encroachments on the rights of the people, that the Travelers' Protective Association of the United States will help them they will adopt our policies and our demands. We demand nothing that will take one single cent from the profit earning power of the investments of those who are operating the railroads of this country, granting that to them, because without profit they could not be able to give the service to the people. We demand a universal two-cent mileage rate in books of 5,000 miles, \$100.00, good on any road of

the United States, and that every mile shall be as good as the bond which is issued to the stockholders of a railroad corporation. We are opposed, and I think as manufacturers of this country you are, and as members of this organization, to the discrimination in rates and if you will join our organization and make it stronger and better and more able to fight for the principles of equity. We want that mileage book good for any person in the United States that wishes to invest that amount of money to travel and not be hampered with his baggage in traveling from one end of the country to the other, and all the inconveniences of the road, and we are opposed to granting to the railroad corporation an unjust return to the revenue and on their investment. We have a book in this country that requires the investment of 30 per cent—50 per cent more than the actual value of the mileage traveled, and I have carried that book in my pocket for one year before I had the return, and it resulted, it was simply extending to the railroad corporation treasury \$30 on an investment of \$60, without a cent of interest to the factory. That is only in a slight degree one of the questions that might be argued for a long time, and I could continue to submit facts that would justify the final endorsements of our demands. We began several years ago and asked the United States to create a department of commerce, and it is to our credit that that bill which created that department passed the United States Senate, signed by the President, with very little alteration. Now, gentlemen, I will not attempt at this time to continue a discussion upon this question which has been entertained for the last two days, but I want to say to you that in the campaign of 1896, it occurred to me when we spoke this morning on the subject, that the silver issue, the issue of free silver, that in the defense of that issue that has arisen in this country—an issue that has made the American people, an issue that has made the American citizen of this country more independent in their rights of franchise than has ever been characterized up to the time of that issue, because it is one that touches the pocket, touches the pocket of the laboring man, the pockets of the laboring masses, the pocket of the producing masses of this great country. They have said that that issue was not in harmony with the best interests of the manufacturers of this country. May be it was not. We will grant it. But, my friends, I feel this way: When I go into the convention—and it is the first time in my life that I ever had the honor of sitting in a convention of men so generally well versed in the issues of this country, defending these principles, and absolutely independent of any political party whatever. I will never lose another opportunity to go into another convention, and I will never lose an opportunity to defend these principles according to my ability and I feel if I did not, that there are men who are ready to present them in order that the people may be convinced of the truths of this great issue. I have heard it said, and I think it is true, that when the American voters quit voting for what they don't want that the corporations will discontinue to get what they do want. I would ask you to immediately, manufacturers, to say to your representatives in this country that the national organization of P. P. A. is a good thing for them. If you are

manufacturers, if you are a jobber, if you are an importer, if you are a distributor of merchandise or of commerce of any kind you are eligible to membership. We give \$5,000 insurance without any cost. That is only elementary. It is the organization that we defend for the benefit and the acquisition of equity—that is being meted out to the great people of this country (Applause.)

CHAIRMAN HUGHES: Gentlemen of the convention, Mr. Higbee sends this dispatch to the chair to be read:

Spokane, Wash., October 27.

R. H. Higbee, Chairman Interstate Commerce Law Commission:

Spokane Chamber of Commerce sends greetings and consent of a half million people in Columbia River Basin to represent them in your fight for regulation of freight rates as advocated by President Roosevelt. This association is entitled to three votes. If proxies are allowed, vote for us. Congratulations on your stand against railroad domination. The people pity misguided and abhor hirelings.

F. E. GOODALL, President.

L. C. MOORE, Secretary.

CHAIRMAN HIGBEE: I wish to say that I have just received the following from San Francisco, California:

"Chairman of the Interstate Commerce Law Convention, Steinway Hall:

"We desire to inform you that our only representative is Mr. Wm. R. Wheeler, who has forwarded his credentials to Mr. E. P. Bacon. The statement in the Daily Press that other parties are representing the Chamber of Commerce of San Francisco is not so.

A. A. ENOLD, President.

MR. COWAN: As a closing means of thanks to the public, I move that it is the sense of this convention that the press of this city is entitled to the thanks of the convention for the fair and faithful manner in which they have reported these proceedings.

The motion was thereupon put and carried.

MR. FARLEY: If passengers are on a ship and find the ship going into troubled waters and storms and breakers ahead, if they have a captain who is a man of experience and ability and coolness and determination, they feel greatly encouraged thereby. When we arrived here last Wednesday and the Executive Committee met and we saw that we were going into troubled waters and storms and lee shores, it became most important to find our temporary chairman and permanent chairman of this convention men who were experienced and cool and determined, and we consider ourselves fortunate that we have found the man in the United States who is best fitted for the position of permanent chairman.

CHAIRMAN HUGHES: Gentlemen, the hour for adjournment has arrived. There is nothing further to go before the convention and I therefore declare this convention adjourned sine die.

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The following speech by M. B. Kelly, secretary Trades League,

Philadelphia, Pa., was ordered published as a part of the proceedings:

### FEDERAL REGULATION OF RAILWAY RATES.

During the past seven years there has been a continuous agitation on the part of the numerous organizations of shippers for the Federal Regulation of Railway Charges. From the passage of the interstate commerce act in 1887 until 1897, when the Supreme Court of the United States held the maximum rate case, "that the power to prescribe rates or fix any tariff is not among the powers granted to the commission," the Interstate Commerce Commission exercised the authority of naming the rate which a carrier might lawfully charge for a particular service, the charge for which had been complained of by an interested party and had been a subject of investigation by the commission. Since 1897 the commission has been without power to adjust railway charges. Its present authority over rates is limited to the negative function of deciding what ought not to have been in the past.

The demand of the shippers for federal rate regulation has been made the question of the hour by President Roosevelt's advocacy of immediate legislation strengthening the powers of the Interstate Commerce Commission. The recommendation made by the President in his annual message was that there should be additional legislation to prevent discriminations, and that power should be given the Interstate Commerce Commission to name a reasonable maximum rate which the carrier may charge for a particular service. The President's recommendation is not that authority be given the commission to prescribe the schedules of rates to be charged by the railroads, but that when a rate has been complained of by an interested shipper, and after the commission shall have investigated the complaint and shall have given the defendant railroad full opportunity for presenting its side of the case, the commission may then name the maximum rate which the carrier may charge for the particular service in question, and that the order of the commission must be obeyed by the carrier unless the enforcement of the order shall be suspended by an injunction issued by the United States Circuit Court.

The consideration of the merits of the President's proposal involves the answer to three questions. Is there need for such legislation? Would the law be effective? Is the proposed legislation of a radical nature involving a step toward socialism, or is it conservative and in line with the evolution of the American Administrative Law?

In answer to the first of these questions, it may be stated that there is abundant evidence of the necessity for more stringent laws against unreasonable discriminations in railway charges as between individual shippers and as between different localities. Less than three years ago, when railroads were at the height of their prosperity and were presumed well supplied with traffic, all of the twenty-one great railroads centering in Chicago and all the railroads leading out of Kansas City were under injunctions from the Federal Courts to charge their published rates.

The investigation of the Interstate Commerce Commission had



revealed a widespread practice of illegally favoring the large shippers of grain and packing house products, who were enjoying secret rates lower than the published schedule of charges. The tendency of the railroads to favor the large shippers who own "tap" or switch lines connecting their establishments with the main lines of the railroads caused the rate of a well-known form of discrimination that was well described by the Interstate Commerce Commission in its decision on the "Tap line" cases a year ago. The present management of the transportation of fruit from Southern California to Eastern markets is another instance of undesirable discriminations that have been forced upon the railroads by the owner of the most powerful car line in the United States.

The necessity for the strengthening of legislation against discriminations and for laws increasing the powers of the federal commission is the result not only of discriminations as between shippers; it is for the equitable adjustment of transportation charges among competing areas of production, among rival markets and for the adjustment of charges as between different commodities that additional national legislation is required. The most important work of the Interstate Commerce Commission at the present time consists in promoting a better adjustment of rates as between rival markets and competing localities.

The relative rates on lumber from the South and from the Pacific Coast States determine the extent to which one of the great resources of the South and far West may find markets. The relative rates to Savannah and Charleston determine whether both of these ports shall prosper, or whether one shall decline at the expense of the other.

The growth or decline of Richmond depends upon the rates to Norfolk and Newport News. The progress of Philadelphia is determined by the rates to Baltimore, New York and Boston. These and a multitude of other instances that might be cited show the necessity, from the national point of view, for having some impartial tribunal of high standing whose work it shall be to adjust the railway rates in this country so as to promote the highest industrial progress of the United States as a whole. In France, this adjustment of railway rates to the industrial needs of the country is accomplished by a detailed and efficient regulation of the railroads; in Germany the state governments manage the railroads, and have worked out in an excellent manner the adjustment of the transportation and industrial interests; in Great Britain there is "Court Railway Commissioners" which, together with the board of trade, exercises powers similar to those which our federal commission would possess if the President's suggestions were carried out.

Would a law giving the Interstate Commerce Commission power to adjust rates be effective? Is it possible for the government to prevent railroads owned by private companies from making discriminations which, from the point of view of the general public interests, are undesirable? The experience of other countries—particularly Great Britain—is at least encouraging, and the growing consciousness on the part of the general public that willful discriminations in transportation charges are really wrong encourages the belief that the strengthening of our laws against

discriminations and that the strengthening of the machinery for the enforcement of those laws will enable us to deal satisfactorily with the problem of railway regulation. In our country only those laws can be enforced that prohibit what the public feels to be wrong. We have only recently come to feel that there is anything inequitable or unfair in one man's getting a better rate than another man can secure for the same service. The public conscience is now awakened on this question, and we feel the moral force of the President's statement that unfair discriminations must be stopped.

Our present legislation for the prevention of discriminations is incomplete, in spite of the excellent features of the Elkins Law of 1903. The discrimination in favor of owners of private cars, and in favor of these having special terminal facilities, continues; and our legislation should make those forms of discrimination impossible in the future. The accomplishment of this will not be a difficult legal task.

The Interstate Commerce Commission during the eighteen years of its history, has shown much ability in discovering violations of law. It has shown itself to be efficient as an investigating body, in spite of serious limitations placed upon its powers by the Federal Courts. The weakness of the Federal Commission has resulted not from its inability to investigate, not from its inability to ascertain the facts, but from its inability to enforce its decisions. If the legislation suggested by the President shall be enacted by Congress, and authority be given the Commission to issue orders binding upon the carriers—unless the orders be suspended—by an injunction of a Federal court—the commission will demonstrate its ability to deal effectively with the economic problem of railway rate adjustment.

Is the proposed legislation socialistic, or is it conservative and in line with American administrative law? It is asserted by many of those who oppose government legislation of railway charges that the proposed legislation would be an unwarranted interference with the rights of private property and would be a step towards State socialism. There is little evidence to support this contention. The theory of the proposed law was the theory of the law of 1887, and was the theory in accordance with which the law was enforced for ten years. Less than two years ago the Canadian government established a commission with powers such as it is proposed to give the United States commission.

Many of our State governments now have commissions with greater authority than it is proposed to give the National Commission. So far as known no one considers the English act of 1888 and the power that it granted to the British Railway Commission as a step toward State socialism. No one who had studied the development of the authority of the National Government over interstate commerce by rail, from 1877 to the present time, can fail to realize that the proposed law is directly in line with our past development. From *Munn vs. Illinois* and *Pelk vs. Chicago and Northwestern* in 1877, when the Supreme Court decided that railway charges were subject to governmental regulation, the courts of the United States and most of our States have accepted without question the fact that governmental regulation of rail-

way charges was entirely a question of expediency. We have already found it expedient in this country to exercise the right of governmental regulation of railway charges; we shall find it expedient to do so in the future. The proposed legislation presents no new phase in the development of American law.

The efficient regulation of railway charges by the government and the equitable adjustment of transportation charges will be welcomed by every one who desires the development of our legal institutions to proceed in a conservative manner.

When the President says that discriminations must be abolished, he says what is absolutely true. Indeed, there are but two alternative methods by which discriminations can be prohibited. One method is the efficient governmental regulation of railroads owned or operated by private corporations; the other method is governmental ownership and operation. The conservative method of solving the problem of railway regulation in the United States is to proceed without undue delay to strengthen our laws against discriminations, and to give greater efficiency to the administrative machinery for the enforcement of those laws. Many railroad men realize the truth of this statement. Such men as President Cassatt and Secretary Morton are in favor of more effective governmental regulation of railway transportation, and they apparently represent the sentiment of the majority of the railroad officials in the Eastern section of the United States. The attitude of the railway interests in the Central and Western States is not favorable to the legislation proposed. It will be unfortunate for the industrial development of the country if the opponents of the governmental adjustment of railway charges prevail. The defeat of a conservative measure providing for governmental regulation may also prove most unfortunate for the transportation interests and for our general economic welfare by strengthening the agitation for governmental ownership and operation of our vast railroad systems.







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